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The British Motor Cycle Industry, 1935-1975

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Summary.

Between 1935 and 1975, the British motor cycle industry declined from world supremacy to bankruptcy. The industry blamed its troubles on government policy, specifically taxation and regulation. These, it was maintained, had weakened the manufacturers' ability to effectively meet foreign competition, particularly after 1960 from Japan.

The existing historiography has identified boardroom mismanagement as the main culprit. However, what the literature lacks is a wider perspective, especially one which extends to the period before 1945. Those years are critical to understanding the nature of the industry. This dissertation provides such a perspective combined with an analysis based on extensive primary research, particularly amongst recently opened trade and company records, as well as government documents at the Public Records Office.

Although no single factor was entirely responsible for the industry's downfall, this dissertation will offer several explanations of varying importance. The failure to develop a cheap, lightweight motor cycle is particularly significant. This, in turn, reflected a 'management culture' which prevailed within many company boardrooms. The 'culture' was closely related to and influenced by a deep seated dedication to motor cycle sport and resulted in a narrow view of the market and the 'typical' consumer, both in Britain and abroad.

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I am grateful for the cooperation of archivists and staff at a number of institutions, including the Birmingham Central Reference Library, the Bodleian Library, the British Library (including the Newspaper Library at Colindale), the British Library of Political and Economic Science (London School of Economics), the Coventry City Library, the Guildhall Library (London), The House of Lords Records Office, the Imperial War Museum, the Modern Records Centre, The National Archives (Washington D.C., USA), the Public Records Office, the Solihull Public Library and the libraries of both the University of Birmingham and the University of Warwick.

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I am fortunate to have had the unfailing support of the staff and students of the Centre for the Study of Social History while this dissertation was researched and written. Moreover, the advice and encouragement received from Barbara Smith, Richard Storey and Peter Watson during the course of my studies is very much appreciated.

Last but certainly not least, much is owed to my supervisor, Nick Tiratsoo, who ensured that I successfully completed this dissertation.

Abbreviations.

AA	Automobile Association
ACU	Auto Cycle Union
AMC	Associated Motor Cycles
BIOS	British Intelligence Objectives Subcommittee
BCMCIA	British Cycle and Motor Cycle Industries Association.
BCMCMTU	British Cycle and Motor Cycle Manufacturers and Traders' Union.
BSA	Birmingham Small Arms
cc	cubic centimetre
CIOS	Combined Intelligence Objectives Subcommittee
CTU	Cycle Trade Union
FBI	Federation of British Industries
FIAT	Field Information Agency, Technical
MAA	Motor Agents' Association
MCA	Motor Cycle Association
MCC	Motor Cycle Club
MIRA	Motor Industry Research Association
MRPC	Monopolies and Restrictive Practices Commission
MRC	Modern Records Centre
PIAE	Proceedings of the Institution of Automobile Engineers
PRO	Public Records Office
RAC	Royal Automobile Club
SMMT	Society of Motor Manufacturers and Traders
TT	Tourist Trophy
'The Union'	British Cycle and Motor Cycle Manufacturers and Traders' Union

Introduction.

In December 1969, as the British motor cycle industry tottered on the verge of financial collapse, a brief was delivered to the Parliamentary Secretary for the Minister of Technology from the Motor Cycle and Cycle Industries Association, a body which represented virtually all motor cycle and cycle manufacturers in Britain.¹ The brief, which was signed on behalf of the Association by Lionel Jofeh, Managing Director of BSA's Motor Cycle Division, Britain's dominant manufacturer, provided the industry's explanation for its current predicament. It was once, the manufacturers claimed, "at the top level of world production" but, since 1945, had been in long term decline. This was caused in large part because of the severe battering they had received at the hands of foreign competitors, first Italy, and more recently, from the Japanese.²

Jofeh and the other manufacturers were aware, the brief continued, of widespread criticism which accused them of having "let the Italians and the Japanese steal our markets." It was true that many of the overseas markets, indeed even the home market itself, once the exclusive preserve of British motor cycle manufacturers, had been taken over by their foreign rivals. The fault, they insisted, was not theirs. Rather it was the result of government policy which during the critical years after 1945 had forced them to divert their output overseas, thus making it impossible for the British manufacturers to meet the strong home demand for motor cycles. This had left them unprepared to

1. Up until 1956 the Association had been known as the British Motor Cycle and Cycle Manufacturers and Traders' Union.

2. See untitled brief, prepared for a meeting held on 11 December 1969, contained in the Industries' Association Guardbook MRC MSS 204/3/1/116.

compete against the large numbers of imported motorised two wheeled vehicles which flooded into the country after the mid-1950s. Moreover, they had been hobbled for years by "a severe restriction on the home market" in the form of regulations and tax which had smothered consumer interest. Hence, even though "mass demand existed," the manufacturers argued that they had been prevented from "getting into gear to meet it because of artificial fiscal barriers."³

Foreign rivals, by contrast, had enjoyed the full support of their respective governments, and benefited from being allowed "unrestricted development and sale of the simplest form of transport available - mopeds, scooters and motor cycles."⁴ All this had placed the British manufacturers at a considerable disadvantage. While the Italian and Japanese home markets flourished, Britain's had grown at a slower rate than it was capable of. This interpretation was supported by the most basic trade statistics. In 1950, for example, there had been 761,500 two wheeled motorised vehicles registered in Britain, a total which had increased to 1,343,000 in 1968. By contrast, the number of motor cars registered had jumped from 2,307,379 to 11,078,000 over the same period of time. Furthermore, the slower rate of growth in motor cycle usage was aggravated by an actual overall drop in production. In 1950, 171,300 motor cycles had been produced by British factories, a total that fell to 84,000 in 1968. By contrast, imports, which were negligible in 1950, had shot up to 111,700 in 1968.

3. Ibid.

4. Ibid.

Such was the manufacturers' case. However, six years later an independent report commissioned by the Department of Industry to investigate the plight of British motor cycle manufacturers, came to very different conclusions. The report, authored by the Boston Consulting Group and entitled Strategy Alternatives for the British Motor Cycle Industry, was a sharp criticism of the manufacturers' past performance. They had been, over the years, too preoccupied with "a concern for short-term profitability," which had badly eroded their competitive position relative to their Japanese rivals.⁵

The Report further noted how lower investment and antiquated factories, which produced only a fraction of Japanese output, had contributed to the state of the British industry. Over 1974/1975, for example, its entire output totalled 20,000 motor cycles, compared with over two million from just one Japanese firm, Honda. The British manufacturers were particularly criticised for what was called 'segment retreat.' This was the process by which they reacted to the advance of their Japanese competitors, who initially built mostly small motor cycles with an engine capacity of less than 250cc, but had gradually moved 'up' the market with larger and larger motor cycles.

As the competition increased, the British manufacturers failed to develop newer and improved light to medium weight models to counter their Japanese rivals and simply vacated the various market segments one after the other. By 1975, the British industry produced nothing smaller than machines in the 500cc engine displacement class, with the majority of production in the

5. See Boston Consulting Group, Strategy Alternatives for the British Motor Cycle Industry, London: HMSO, 1975, p.x.

750cc and 850cc classes, and had nowhere left to retreat. Backed by a vastly greater manufacturing base, enhanced by modern factories and far larger research and development establishments, the Japanese now produced models which were considerably more sophisticated than those of the British and had steadily encroached on the British share of motor cycle markets around the world.⁶

The Report provided the justification for the Wilson government to cease subsidising the motor cycle industry, which had absorbed nearly £24 million since 1973.⁷ Press coverage at the time confirmed a wide-spread belief that British motor cycle manufacturers were the architects of their own misfortune and did not deserve continued government support.⁸ Indeed, since its publication, the Report has come to be used at the Harvard Business School as a case study of entrepreneurial failure and it has been referred to for illustrative purposes in at least two studies of the problems confronting British manufacturing in general.⁹ Popular business journals have been attracted to the

6. Ibid, p.xv.

7. See remarks of Eric Varley, Secretary of State for Industry, in Hansard, [896] 1974-1975, 31 July 1975, cols. 2059-2062.

8. See, for example, 'Who's left holding the motor-bicycle baby?' 9 August 1975 The Economist, pp.75-76, and 'How British motorbikes went backing down the wrong road' by Terry Dodsworth, Financial Times, 2 August 1975, contained in MRC MSS 123, Temp 3. See also leading articles, 'An industry outclassed', The Times, 1 August 1975, p.15, and 'A short ride to disaster', The Guardian, 1 August 1975, p.12.

9. See Richard T. Pascale, 'Perspectives on Strategy: The Real Story behind Honda's Success', California Management Review, Spring 1984, pp.49-50 and Robin Wensley, 'Marketing Strategy', contained in M.J. Baker (ed), The Marketing Book, London: Heinemann, 1987, p.37. The Boston Consulting Group report is explicitly noted in Karel Williams, John Williams and Denis Thomas, Why are the British bad at manufacturing?, London: Routledge and Kegan Paul, 1983, pp.27-28 and pp.48-49 and D.O. Ughanwa and M.J. Baker, The Role of Design in International Competitiveness, London: Routledge, 1989, pp.16-17 and pp.78-79.

subject as well. One noted that, throughout British business history, "there can be few cases of industries collapsing so swiftly and so completely."¹⁰

While the wreckage of the industry has come to be surrounded by a considerable literature, very little of it originates from academic sources.¹¹ Foremost is Barbara Smith's History of the British Motor Cycle Industry, 1945-1975, which shares many of the criticisms of British motor cycle manufacturers made by the Boston Consulting Group. Smith identifies three major causes for the industry's decline: a long term fall in demand for motor cycles in the over 250cc engine displacement class in the British market after 1962; intense competition from Japan and finally, the manufacturers' inability "to organise themselves to maintain sales." She also identifies the period 1954 to 1962 as years when the industry had an opportunity to prepare for the coming foreign competition, which was instead squandered through failure to respond effectively to market conditions.¹² Other published academic accounts include Nick Rogers' history of the industry over 1945-1975 and two journal articles, one addressing the inter-war period and the other a comparative study of the British and Italian industries up to 1980.¹³ There is also an

10. See Tom Lester, 'How the British Bikes Crashed', Management Today, May 1976, pp.44-53.

11. There is no real equivalent, for example, of studies of the British motor industry, such as Roy Church, The Rise and Decline of the British Motor Industry, London: Macmillan, 1994 or even popular histories like Martin Adeney, The Motor Makers, London: Fontana, 1989.

12. See Barbara Smith, The History of the British Motor Cycle Industry, 1945-1975, Birmingham: The Centre for Urban and Regional Studies, University of Birmingham, 1981, p.v. and p.25.

13. See Nick Rogers, The British Motor Cycle Industry 1945-75, Programme Notes for an epic still to be written, Birmingham: The Centre for Urban and Regional Studies, University of Birmingham, 1979, Steve Koerner, 'The British Motor Cycle Industry during the 1930s', The Journal of Transport History, March 1995, pp.55-76

unpublished history of the British industry before 1939, dealing specifically with the precipitate fall in demand for motor cycles after 1929.¹⁴ There are several unpublished dissertations which deal with various facets of the industry. One is a detailed history of a medium-sized firm, another covers industrial relations in the industry over the period 1951 to 1973 and two others cover the establishment of the workers' cooperative at Meriden.¹⁵ Another unpublished dissertation addresses the sociology of the so-called 'outlaw' motor cyclists.¹⁶

It is unusual to read an account which defends the record of the industry against its many critics. One emanates from the right-wing Centre for Policy Studies and places the blame for the demise of the industry squarely on the shoulders of successive governments. It attributes the constant manipulation of domestic demand by fiscal regulation, combined with a disastrous rescue attempt in 1973, for the weak performance of the industry after 1945.¹⁷ More reliable are the small number of published accounts

and M. Cenzatti, 'Restructuring in the motorcycle industry in Great Britain and Italy until 1980', Environment and Planning, Vol. 8, 1990, pp.339-355. Although it focuses on an American motor cycle producer, see also Peter Stanfield, 'Heritage Design: The Harley-Davidson Motor Company', Journal of Design History, Vol.5, No.2, 1992, pp.141-155

14. See Michael Miller, 'The British Motor Cycle Industry before 1939' (a copy of this paper was kindly provided by its author).

15. See John Kelly, History of Veloce Ltd. - Motorcycle Manufacturers, Hall Green, Birmingham, (Phd. dissertation Bradford University, 1978), John Tomlinson, The Meriden Cooperative, (MA dissertation, Warwick University, 1980), Martin Fairclough, The Political Economy of Producer Cooperatives: A Study of Triumph Motorcycles (Meriden) Ltd. and Britain's Industrial Decline, (Phd. dissertation, Bristol University, 1986) and Steve Koerner, Trade Unionism and Collective Bargaining at two British Motor Cycle Factories: A Study of BSA/Small Heath and Triumph/Meriden, 1951-1973, (MA dissertation, Warwick University, 1990).

16. See Ian Harris, Myth and Reality in the Motorcycle Subculture, (Phd. dissertation, Warwick University, 1986).

17. See Jock Bruce-Gardyne, Meriden - Odyssey of a Lane Duck, London: Centre for Policy Studies, 1973. The rescue attempt and

that have originated from veterans of the industry, mainly former managerial or sales staff who are sharply critical of those who sat in the industry's boardrooms.¹⁸ These books contain many insights into the inner workings of specific firms, the industry generally as well as the causes of its collapse. They do, however, need to be treated with some caution. This literature, as Smith warns, "engenders nostalgia, inter-personal vituperation and shame that so much was lost so negligently."¹⁹ Other published sources include a large number of histories of individual firms, such as Triumph, BSA, Matchless, Norton and Veloce (Velocette). These vary considerably in quality, but as a rule are more concerned with describing sports events and various technical aspects of the motor cycles themselves than they are business histories.²⁰

Ironically, British motor cycles now seem to be the object of greater attention, as an integral part of the burgeoning 'industrial heritage industry', than they ever enjoyed while the factories still operated. Indeed, the literature written for motor cycle enthusiasts is growing at a prolific rate. There is,

the subsequent workers' occupation of Triumph's Meriden factory are covered, from a partisan perspective, in Meriden - Historical Summary, 1972-1974, London: Norton Villiers Triumph Ltd., 1974 (no author indicated).

18. See, above all, Bert Hopwood, Whatever Happened to the British Motorcycle Industry?, Sparkford: Haynes Publishing Group, 1981, and also Ivor Davies, Its a Triumph, Sparkford, Haynes Publishing Group, 1980 and Neale Shilton, A Million Miles Ago, Sparkford, Haynes Publishing Group, 1982.

19. See Smith, op cit, p.3.

20. See, for example, Barry Ryerson, Giants of Small Heath - The History of BSA, Sparkford: Haynes Publishing Group, 1980, Harry Louis and Bob Currie, The Story of Triumph Motor Cycles, Cambridge: Patrick Stephens, 1975, Gregor Grant, AJS - The History of a Great Motor Cycle, Cambridge: Patrick Stephens Ltd., 1969, Peter Hartley, Matchless - Once the Largest British Motor Cycle Manufacturer, London: Osprey Publishing Company, 1981 and Mick Woollett, Norton, London: Osprey Publishing Ltd., 1992.

for example, a recent multi-volume history which, however, also tends to focus more on the motor cycles themselves instead of the commercial side of the industry, but does complement several other histories of the motor cycling movement world-wide.²¹

What all the literature, academic, popular or otherwise, lacks is a larger historical context. This is a crucial lacuna. For, as this dissertation will show, a fuller understanding of the industry's final demise means examining its history before 1939 as well as the post war era. A longer historical perspective will provide a fuller understanding of the various forces that caused the eventual collapse of the industry.²²

To undertake this analysis, use will be made of a variety of sources. In particular, extensive reference has been made to the records of the Motor Cycle Association, only recently opened to researchers. This archive, now on deposit at the Modern Records Centre at the University of Warwick, contains a comprehensive collection of minutes, guardbooks and other documentation which

21. See Steve Wilson, British Motor Cycles (in six volumes), Cambridge: Patrick Stephens Ltd., 1992. Another, now dated, history of the industry is 'Ixion' (the Rev. B.H. Davies), Motor Cycle Cavalcade, London: Iliffe & Sons, 1951. For more general histories, see, among others, Massimo Clarke (ed) 100 Years of Motorcycles - A Century of History and Development, New York: Portland House, 1988, Richard Hough and L.J.K. Setright, A History of the World's Motorcycles, London: George Allen & Unwin Ltd., 1966, Phil Shilling, The Motorcycle World, New York: Random House, 1974, and Gary Johnstone, Classic Motorcycles, London: Boxtree Ltd., 1993 (this latter book accompanied a Channel 4 tv series of the same name).

22. It has also been noted that little has been done to place the role of motor cycles and motor cycling (especially sports activity) into a social context. This particularly true of the period before 1939: "The social history of the motor cycle between the wars, to which a side-car could be added to transport a small family, has been obscured by the more sensational antics of the next generation of motor cyclists, whose leather jackets and long hair spread moral panic in the 1950s." See Richard Holt, Sport and the British, Oxford: Oxford University Press, 1990, pp.198-199. See also, John Stevenson, British Society, 1914-1945, London: Penguin Books, 1990, pp.391-392.

provide in-depth information about the industry for the entire period covered. Unfortunately, the remaining archives of individual firms are not remotely as well preserved. Fragments of various financial records for BSA and Triumph have survived along with most of the former's Directors' Minute Books.

Information on other firms has been obtained from either the secondary literature, the business and popular press or from annual reports on deposit at the Guildhall Library in London.

The new material qualifies and adds to earlier interpretations of the industry's history. This dissertation will argue that the collapse of the British motor cycle industry had far more to do with internal weaknesses that built up during the time in question than it did foreign, primarily Japanese, competition. Instead, a hierarchy of explanatory variables will be examined during the course of the following chapters. These range from managerial 'culture', (especially how those in the company boardrooms perceived markets), government policy, labour relations and foreign competition to the peculiarities of the motor cycle market, both in Britain and abroad. Finally, this dissertation seeks to take up the invitation contained in the conclusion of a more recent summary of literature on British economic decline. We are asked, in "place of generalizations about 'British' attitudes and 'British' institutions," to produce "close, empirical inquiries into actual British enterprises and their decision-makers." What follows proposes to do just that.²³

Attention will be given to three major episodes in the history of the industry which are pivotal to both its development and

23. See Michael Dintenfass, The Decline of Industrial Britain, 1870-1980, London: Routledge, 1992, p.71.

fall. The first, and most important, is the drastic fall in the demand for motor cycles which occurred after 1929 and lasted until 1939. The response of the industry to this crisis, how it tried to re-stimulate demand and, in particular, its growing dependence as comparatively low volume manufacturers of heavy weight (350cc to 500cc engine displacement classes) motor cycles became a defining characteristic. Indeed, this characteristic would colour its responses to future changes in the market right through to its death throes during the 1970s.

The second episode began in the years after 1945 when, with the pre-war competition temporarily knocked out of action or otherwise unable to satisfy demand for cheap personal motorised transport, British manufacturers were in a position to consolidate their world-wide supremacy. That they failed to do so was the result of factors both in and out of the control of the manufacturers. The third and final episode covers the period when international rivals resumed production and gradually undermined the position of British manufacturers, first at home and then abroad.

The episodes will be examined chronologically over six chapters. The first provides a brief background to the industry up to 1935 and then describes the years to 1939; the second covers the war years; the third the period between 1945 and 1951; the fourth the period between 1951 and 1956 and the fifth, the years 1956 to 1961. The final chapter concludes with the collapse of virtually the whole industry in 1975.

Chapter 1.

Crisis in Demand, 1935-1939.

In December 1934 a special issue of the popular journal, The Motor Cycle, was devoted to the theme of 'British Supremacy'. The issue was a celebration of the ascendancy of the British Motor Cycle industry over all international rivals. This supremacy was manifested, various articles in the issue claimed, in a number of ways. Not only were British motor cycle companies producing more than anyone else but they were also represented as being ahead of all others in terms of design and workmanship.¹ In the sporting field especially, British products were described as particularly successful, winning race after race, both on Home and foreign tracks.²

Was there any truth behind these claims or were they merely the puffing of some over-enthusiastic or perhaps xenophobic trade journalists? The British motor cycle industry had emerged from the bicycle industry at around the turn of the century and, for a time, evolved alongside the motor car industry (production of motor cars only outstripped that of motor cycles in 1924). During the Great War the industry suffered a set back when much of its productive capacity was diverted into munitions work, allowing American motor cycle

1. One particular manifestation of the advanced state of the British motor cycle industry, at least during the 1920s, was that fact that its designers were evidently much in demand with Continental manufacturers. See 'English designers on the Continent', by Erwin Tragatsch, Classic Bike, January 1982, pp.46-51.

2. The Motor Cycle, 13 December 1934. The Isle of Man TT (Tourist Trophy) Race results are provided in detail, along with the nationality of the participants in Nick Harris, Motorcourse History of the Isle of Man TT Races, 1907-1989, Richmond, Surrey: Hazelton Publications, 1990.

companies to move into Dominion and Empire markets. After 1919 production grew rapidly and British companies were able to regain the markets their American competitors had won over during the war. By 1925 Britain was the world's undisputed volume producer and the biggest exporter, shipping abroad more motor cycles than all other rivals combined.³ Indeed, such was the formidable reputation of British motor cycles, for example, that it was remarked they overshadowed the domestic competition in Continental trade shows. In Italy, for a time, even Il Duce was accompanied by an escort of British built motor cycles.⁴

Moreover, although the British motor cycle industry produced far less than its motor car counterpart, 125,000 units compared to 160,266 (worth £5,161,000 compared to £32,869,000) at the beginning of the 1930s, it was arguably a more successful industry in terms of international acceptability and prestige.⁵ While motor car sales tended to be

3. For the formative years of the industry, see Eric Walford, Early Days in the British Motor Cycle Industry. Coventry: British Cycle and Motor Cycle Manufacturers and Traders' Union, (no date but probably 1934), W.F. Grew, The Cycle Industry. Its Origin, History and Latest Developments, London: Pitman and Sons, 1921, pp.105-112 and 'The Evolution of the Motor Cycle', by Lieut-Col. E.W.C. Sandes, The Royal Engineers' Journal, Vol.LIX, 1945. See also Cyril Ayton, Bob Holliday, Cyril Posthumus and Mike Winfields, The History of Motor Cycling. Norwich: Orbis Publishing Ltd., 1979, pp.109-110.

4. A photo of British built motor cycles in use at an Italian Fascist rally was published in The Motor Cycle, 14 November 1929, p.733 and again on 6 June 1935, p.777. The Midland Bank Monthly Review also commented on the popularity of British motor cycles among Italians in its March/April issue of 1933 at p.5.

5. The motor cycle and motor car output figures are derived from the 1930 Census of Production, Part 2. London: HMSO 1931, p.334. By way of comparison, that same year the British bicycle industry produced 878,966 units, worth a total of £3,410,000.

concentrated in the Home, Empire and Dominion markets, British motor cycles sold in many areas where the former did not, a point that was remarked upon at the time.⁶ In 1927 a reporter with the Daily Telegraph was moved to write:

It is depressing to the motorist travelling on the Continent to meet so rarely a British-made motor-car, but everywhere the British motor-cycle is upon the roads, and the foreigner willingly concedes its superiority. In design, lightness, and efficiency it beats everything.⁷

In terms of the proportion of machines exported, the motor cycle industry far outdid its motor car counterpart. In 1929, for example, 62,377 out of a total 147,000 motor cycles, or approximately 42 per cent of production, was sent abroad. By comparison, that same year, the motor car industry exported only 23,891 out of a total of 182,347 cars, or 13 per cent of production [see Appendix 1, Tables I & II]. The contrast between international motor cycle and motor car producers was striking. Although the Americans overwhelmingly dominated the motor car manufacturing league, making over five million units in 1929 compared to barely 200,000 units by number two producer Britain, the situation was reversed with respect to motor cycles. The 147,000 units manufactured in 1929, compared to America's 31,900, meant that Britain was well ahead.⁸

6. See various Board of Trade memos, including one authored by C.E. House entitled Motor Cars, regarding British motor car and motor cycle sales dated 13 September 1938 contained in Public Records Office (PRO) BT 59/24/489/20 and BT 59/24/589.

7. See the Daily Telegraph, 22 August 1927, contained in the newspaper clipping Book MSS 204/10/1/2, on deposit at the Modern Records Centre (MRC) at the University of Warwick.

8. Figures are from A Survey of the Trade in Motor Vehicles, Report of the Imperial Economic Committee, Thirtieth Report, London: HMSO 1936, pp.7-9 and p.101. The relative difference between the two industries was also noted in G.C. Allen,

It was also true that the motor cycle industry was far more secure in the home market, for although both industries were protected by the McKenna Duties, the motor car firms had more need of the tariff wall. In 1929, a mere 103 foreign motor cycles entered Britain compared to 21,520 foreign motor cars. During 1937 only 200 foreign motor cycles arrived compared to 18,609 cars.

What was the industry producing during the 1930s? British motor cycle companies were notable for their varied and extensive product lines. British consumers had the widest choice of motor cycles anywhere in the world, ranging from small single cylinder machines to large displacement twin and even four cylinder models.⁹ As one industry leader boasted, it was "literally true to say that there is no class of public or size of pocket which is not adequately catered for." However, British consumers seemed to have a particularly marked preference for the big single cylinder machines in the 350cc and 500cc displacement classes [see Appendix 1, Table III]. No doubt these larger machines were also necessary in order to haul the many side cars on the road.¹⁰

British Industries and Their Organization, London: Longmans, 1959, p.181.

9. For the best consolidated guide to the various models being produced by the industry during the 1930s see Roy Bacon, British Motorcycles of the 1930s, The A-Z of pre-war marques, London: Osprey Publishing Company, 1986. See also Bob Currie, Great British Motor Cycles of the Thirties, London: Ivy Leaf, 1991 and C.J. Ayton, Guide to Pre-war British Motor Cycles, Feltham: Temple Press, 1985, for more general descriptions of the motor cycles produced at this time.

10. The boast was made by Major H.R. Watling in The Motor Cycle Overseas Annual and Buyers' Guide 1925, published by the popular journal The Motor Cycle, London: Illiffe and Sons, 1925, p.12. See also Phil Schilling, op cit, p.54.

This inclination towards larger displacement motor cycles had been established right from the beginnings of the industry. In 1913, for example, models available to British consumers were in the 170cc to 600cc range, with the majority in the 350cc to 500cc classes. In 1921, the smallest engine displacement size on the market was still only 211cc and even as late as 1925, only one firm offered a machine under 100cc (a 98cc Alcyon). The predilection for larger sized motor cycles is suggestive of the fact that they provided a cheaper substitute for the far more expensive motor cars, as well as being used for sports and touring purposes. Until the mid-1920s even a small motor car cost between £250 and £500, while a good quality 500cc motor cycle side car combination cost around £150.¹¹ Little wonder that a visiting American automotive engineer observed that motor cycles "held the same position in England as Ford in America", and more specifically, "that the class of people who possessed Fords in America have motor cycles in England."¹²

What was the structure of this highly successful industry during the period in question? In certain respects, the motor cycle industry shared some common characteristics with its motor car counter-part, having started with a vast number of firms of varying sizes and then slimmed down during the late

11. For information about model ranges in the years quoted, see the 'Buyers' Guide' contained in The Motor Cycle, 20 November 1913, 'Buyers' Guide', contained in ibid, 17 March 1921 and 'Price Classifications of 1925 Machines', ibid, 27 November 1924. Car prices are derived from the 'Buyers' Guide' contained in The Motor, 5 November 1920. Motor cycle side car combination prices come from the 'Buyers' Guide' from The Motor Cycle, 17 March 1921.

12. See 'A Survey of current motor cycle design', by D.S. Heather, Proceedings of the Institution of Automobile Engineers, 1918/1919, Vol.XII, p.56.

1920s and early 1930s. For example, in 1925 there were approximately 120 firms in Britain manufacturing motor cycles; by 1939 this total was 32.¹³

As in the motor car industry, several of the larger motor cycle companies, a so-called 'Big Six'¹⁴, dominated, followed by a number of medium sized firms, several of whom extensively used proprietary parts (mainly motors). There were also specialized firms who built expensive sports and touring machines as well as three major proprietary engine manufacturers, the most prominent being Wolverhampton based Villiers Engineering. Although there were companies, such as Rover, which built both cars and motor cycles at the turn of the century, these links had been largely severed by the 1920s.

Most of the firms in the industry were privately owned and only a few of them were registered on the stock market. In marked contrast with the motor car industry, ownership and management was exclusively British and would remain so during the entire period covered by this dissertation. The industry shared a number of general supply and accessory firms with its motor car counterpart, such as Dunlop tyres and Joseph Lucas electrics, although the motor cycle factories were capable of

13. See 'Ixion', op cit, pp.66-97. A large proportion of these firms were simply backyard or small garage based enterprises which had dropped out of the market by the end of the 1920s. The Motor Cycle and Cycle Trader thought the depletion of firms caused by the Depression was a positive development insofar that it "weeded out" what were termed "mushroom concerns". See "Promise of Prosperity", 4 March 1938.

14. The membership of the 'Big Six' was, in alphabetical order, Ariel Motors, Associated Motor Cycles (formally Matchless Motorcycles) BSA, Enfield Cycles (Royal Enfield), Norton Motors and Triumph.

producing a great deal of in-house work, a point noted at the time.¹⁵

The 'Big Six' accounted for a very large proportion of the industry's production. Indeed, it has been estimated that two firms alone manufactured slightly over 60 per cent of gross output.¹⁶ Of the 'Six', BSA (Birmingham Small Arms) was the clear market leader (a position it had held since the early 1920s) producing between 12,000 and 18,000 machines per year for much of the 1930s, or around 20-25 per cent of total British motor cycle output.¹⁷ As for the others, they continually jockeyed for the number two spot, which regularly changed from year to year.¹⁸ All of the 'Big Six' were located in the Birmingham-Coventry-Redditch area, with the exception of Matchless (Associated Motor Cycles - AMC - after 1937) which was based in London.

15. See Alfred Plummer, New British Industries in the 20th Century, London: Sir Isaac Pitman and Sons Ltd., 1937, p.95; a thorough description of the wide range of the services that the Triumph factory in Coventry was capable of can be found on Jack Wick's tape of reminiscences on deposit at the Coventry Records Office. Wicks was a staff designer who began work at Triumph in the late 1930s.

16. See Michael Miller, 'The British Motor Cycle Industry Before 1939' (Unpublished, University of East Anglia) p.1. A copy of this paper was kindly provided to the author by Mr. Miller. According to one post-war survey these two unnamed firms produced 63 per cent of all output, see H. Leak and A. Maizels, The Structure of British Industry, (1945), p.52. Lack of sufficient documentation about the output of individual firms prevents a more precise calculation of market share.

17. BSA's best pre-war year was 1926 when it manufactured a total of 29,099 motor cycles. In 1933 production had dropped to a low of 10,979 units and thereafter it fluctuated from year to year with a high of 18,563 in 1937. See BSA's Report on Accounts, 12 months ended July 1938, contained in the BSA Collection, MRC, MSS 19A/2/37 p.4.

18. This observation is based on a communication between J.M. West, who was BMW's British Sales Manager during the 1930s, and the author in June 1991.

Matchless had been founded by the Collier family in the late nineteenth century, originally as a bicycle maker, and had branched out into motor cycles by the turn of the century. In the late 1920s Matchless manufactured a full line of machines, ranging from 250cc to 1000cc engine displacement, with a particular emphasis on the 350cc to 500cc single cylinder classes. It also supplied motor car companies such as Morgan with proprietary engine units.¹⁹ In 1931, a rival manufacturer, AJS, a Wolverhampton based firm which had diversified into radios and commercial vehicles, went into receivership. Matchless picked up the motor cycle end of the business, shut down the Wolverhampton factory and moved the production facilities to its factory in Woolwich, east London. There Matchless continued to manufacture, side by side, two essentially identical lines of motor cycle, one badged as Matchless, the other AJS, a practice it would follow until the mid-1960s. This policy, commonly known as 'badge engineering', was also carried on by other motor cycle companies as well.²⁰

Throughout the late 1920s, Matchless was profitable. In 1929, for example, it returned healthy profits and distributed dividends of 12 1/2 per cent. Profits declined at the onset of the Depression, although by 1934 the company was able to pay out dividends of 5 per cent. Recovery was due, in part, to the company's proprietary engine work (which also included

19. See Hartley, op cit, pp.10-64.

20. See ibid, p.117, Gregor Grant AJS - The History of a Great Motor Cycle, London: Patrick Stephens, 1969, p.13 and Bacon, op cit, pp.13-19 and pp.102-107. In 1932 Matchless bought Wolverhampton based Sunbeam motor cycles from ICI although it did little to develop the marque afterwards.

aircraft components) and to its re-entry in the bicycle trade.²¹

Another major firm was Ariel Motors, based in Birmingham. Founded by Charles Sangster during the late nineteenth century as a bicycle and bicycle components manufacturer, by the 1920s it had evolved into the more diversified Components Ltd. Owned by Sangster, the firm had expanded into motor cycle and motor car production, along with a variety of other related activities. However, Components Ltd. was hard hit by the Depression and went into receivership in 1931. Charles Sangster's son, Jack, who was then General Manager of the motor cycle and automotive end of the business, was able to negotiate an arrangement with the receiver whereby he took over the rights to motor cycle production along with a good part of its plant and equipment.²²

Jack Sangster, who would in time become the industry's single most dominant figure, had been educated at Hurstpierpoint College in West Sussex and served an engineering apprenticeship at the Triumph motor cycle factory in Nuremberg, Germany. After the war, he worked in the motor car industry (he designed the Rover Eight) and then returned to his father's company. Under his direction the new firm, Ariel Motors (JS), was established at a factory in Selly Oak, Birmingham. The company produced a wide range of motor cycles, mostly single cylinder machines from 250cc to 995cc

21. See Stock Exchange Gazette, 25 April and 27 September 1935.

22. See Peter Hartley, The Ariel Story, Watford: Argus Books, 1980, pp.11-71.

engine displacement but also had an innovative four cylinder machine, which was produced in limited numbers.²³

The Triumph company also had its origins in the bicycle trade. Founded by a German Jew, Siegfried Bettmann, who had emigrated to England from Nuremberg in the 1880s, the company subsequently moved into motor cycle manufacturing in the early 1900s. Based at a multi-storey factory in the centre of Coventry, Triumph offered a limited range of machines, mostly in the single cylinder, 250cc to 500cc engine displacement classes. During the 1920s, Triumph commenced motor car manufacture so that its factory simultaneously produced motor bicycles, motor cycles and cars. It was the latter which brought the company down. An ill-fated decision to manufacture higher priced models left the company's finances in a shambles. In 1934, it carried over a huge debt from the previous year and appeared to be on the edge of bankruptcy.²⁴

Enfield Cycle was founded as a bicycle manufacturer during the late nineteenth century in Redditch. A contract to provide rifle parts to the Royal Small Arms factory in Enfield led to the adoption of the name 'Royal Enfield' for its bicycles and later motor cycles. The company was led by Managing Director Robert Walker Smith, whose son Frank was Assistant Managing Director. After the former's death in 1933, Frank Smith became Managing Director, a position he

23. Ibid, pp.100-106 and pp.118-131. See also the entry on Jack Sangster contained in the Dictionary of Business Biography, prepared by Barbara Smith, vol.5, pp.55-59.

24. For biographical information on Bettmann, see Steven Morewood, Pioneers and Inheritors: Top Management in the Coventry Motor Industry 1896-1972, Coventry: Coventry Polytechnic, 1990, pp.104-117 and Ivor Davies, op cit, pp.11-36. The information on Triumph's financial situation is from The Economist, 15 December, 1934.

would hold for the next thirty years. Enfield produced a modest but comprehensive range of models, from a 250cc single cylinder machine to a 1000 V-twin. However, like the others its best sellers were mostly single cylinder models in the 350cc to 500cc engine displacement classes.²⁵

Norton was probably the lowest volume producer of the 'Big Six'. Founded by James L. Norton at the turn of the century, it had at first supplied the bicycle trade but quickly moved on to motor cycles. Although initially owned privately by Norton, the company had experienced severe financial troubles in 1913. It was picked up in an auction by Bob Shelly, owner of R.J. Shelly, a machining concern that was a major Norton creditor. Shelly was in turn owned by C.A. Vandervell and Company, a leading magneto manufacturer and an important Norton supplier. Although James Norton stayed on the company board, Charles Vandervell became Chairman of the renamed Norton Motors Ltd., which continued to be privately owned.²⁶

Of all the major producers, Norton had the most limited model line-up, mostly in the 350cc to 500cc engine displacement range, all single cylinder machines.²⁷ It was also the one most oriented towards motor cycle sport. Indeed, the company was probably the single most successful race participant in Britain and overseas. Between 1926 and 1939,

25. See Peter Hartley, The Story of Royal Enfield Motor Cycles, Cambridge: Patrick Stephens, 1981.

26. See Mick Woollett, op cit, pp.11-74. C.A. Vandervell and Company later became known as CAV and was subsequently purchased by Joseph Lucas in 1925. The purchase gave Lucas a "virtual monopoly" over the supply of lighting and ignition equipment for both the British motor cycle and motor car industries. See Harold Nockold, Lucas: The First Hundred Years. Volume I: The King of the Road. London: David & Charles, 1976, pp.204-205.

27. See Bacon, op cit, pp.124-127.

at least one Norton placed in the top three places at the Isle of Man TT, at that time the world's premier road race event.²⁸

Norton was not unique in its close involvement with the race track. There were important implications for nearly all firms relating to sporting success. The close relationship between the industry and sport was widely recognised. One technical journal noted that there were "undoubted commercial advantages that follow upon success in this [the TT] and other trials of a sports character," and indeed it was judged a "ruling factor." As a trade journal observed, emphasis on sporting events was "a useful device in breaking down sales resistance." Thus, a firm whose motor cycles did well at the TT was almost certain to enjoy improved sales shortly afterwards.²⁹

A second aspect of race track activity which attracted the industry was its role as a surrogate form of research and development. It was generally acknowledged that the TT was in effect a "testing ground" and acted as a means of improving motor cycle performance and reliability under the most severe of conditions.³⁰ Brakes, frames and transmissions and road-

28. In two notable years, 1935 and 1937, Norton motor cycles placed in five of the six top slots. See Matthew Freudenberg, The Isle of Man TT. Bourne End: Aston Publications Ltd., 1990, pp.162-164.

29. See 'Motor Cycles', The Automobile Engineer, August 1928, p.273 and 'Motor cycle sport', The Export Trader, July 1937, p.231. J.M. West recalled that "many chaps of quite high standing" had confided to him that their choice of a new machine was dependent on the outcome of the TT races: "I'm going to buy whatever wins the TT." J.M. West interview, 23 November 1994.

30. A writer in a popular journal noted that the value of the TT races "cannot be over-stressed." Not only was it simply sport, but the "machines are subjected to a gruelling more severe than could be imposed by any other test." See 'The future of motor cylce sport', by T.W. Loughborough, The Motor Cyclist Review, July 1927, p.14.

holding qualities in general, had it was believed, all been improved as a direct benefit of the trial and error process that had taken place during race after race. As one expert asserted during a meeting of the Institute of Automobile Engineers, "there can be no possible doubt that road racing has come more to improve the breed than any other single item." Moreover, in the absence of any extensive research and development facilities, the track was, many believed, an excellent substitute.³¹

It was also true that many throughout the industry's management were keen motor cycle enthusiasts. Brothers Harry and Charles Collier, sons of Matchless founder Henry Collier, who would become the company's joint managing directors, regularly rode motor cycles. Indeed, Harry Collier raced semi-professionally and had a distinguished career at the TT. Donald Heather, a Matchless company director during this time, was unusual amongst the industry's senior management by virtue of his higher education (he had an engineering degree from London University), also regularly rode a motor cycle and attended sports activities. At Ariel Motors, owner Jack Sangster had a successful career as a trials rider before the Great War and subsequently continued to ride whenever possible. Enfield Cycle Managing Director Frank Smith was also an active motor cyclist and James Norton raced semi-

31. See 'The influence of racing on motor cycle design', by 'G.E.T.', The Export Trader, July 1934, pp.245-246 and 'Motor cycle progress: past, present and future', by H.D. Teage, Proceedings of the Institution of Automobile Engineers, 1931/1932 session, vol. XXVI, p.385. During the course of an earlier IAE meeting it was noted that there was "a great dearth of technical publications relating to motor cycles." See 'The super-sports motor cycle', by John Wallace, ibid, 1929-1930 session, Vol.XXIV, pp.161.

professionally for several years before 1914 and during the early 1920s, as part of a publicity campaign to increase sales in South Africa, rode one of his company's motor cycle side-car combinations across the country.³²

The industry's top leadership was proud of its personal involvement and dedication to motor cycling. Indeed, managers often made a point of letting their customers know that they too shared an equal interest in motor cycle activities, especially sports. In 1939, for example, a number of managing directors rode their motor cycles in a procession to the Donnington race track at the season's opening. Attending these events undoubtedly gave the industry's leaders an opportunity to mix with many of the people who either already owned their motor cycles or might soon be buying a new model. No doubt it also gave them a first hand insight into any upcoming changes in market demand. However, one suspects that they would have been there anyhow, commercial advantage or not.³³

While the other 'Big Six' firms were frequently owned and managed by motor cycle enthusiasts, BSA was the notable exception. No doubt this owed much to the fact that BSA had always been far more than a motor cycle manufacturer.

32. See photo feature about James Norton's sales tour of South Africa, The Motor Cycle, 21 December 1921, p.865.

33. Managing Directors present at the 1939 Donnington event included Jack Whitlock (Rudge-Whitworth), Ernest Humphries (OK Supreme), Edward Turner (Triumph), Jack Sangster (Ariel and Triumph) and Gilbert Smith (Norton). See untitled feature, The Export Trader, June 1939, p.250. Another activity shared by many of the industry's top executives was membership of the Worshipful Company of Masons. In 1950 Major Watling was appointed Master for the Birmingham area and often presided over meetings attended by a number of industry managing directors. See untitled news item, The Motor Cycle and Cycle Trader, 7 April 1950, p.36.

Originally founded in the mid-nineteenth century as small arms manufacturer, it had subsequently expanded into bicycles and then motor cars (Daimler and Lanchester), steel, machine tools and other businesses which gave it access to resources unavailable to the other firms.³⁴

The differences between BSA and the other 'Big Six' firms were also reflected in its Board, which often included well known figures from business and political circles. The various chairmen during this period, Sir Hallewell Roger (1906-1928), Sir Edward Manville (1928-1932), Arthur Pollen (1932) and Sir Alexander Roger (1932-1940), were all engaged in a variety of activities besides BSA. Two of them, for example, were MPs and all the others held senior positions with national banks or organisations such as the Federation of British Industries (FBI).³⁵ Sir Patrick ('Paddy') Hannon was in many ways typical. He served on the BSA Board between 1923 and 1957, and was Vice-Chairman for a good portion of the period. He was especially well-connected in the political world. A long-time Parliamentarian, Hannon represented the

34. In his speech to the 1922 Annual General Meeting, BSA's Chairman specifically noted that the recent acquisition of Jessops and Sons, a steel manufacturer, was designed in part to give the parent firm a greater degree of control over raw materials. See Chairman's speech, delivered on 25 April 1922. Copy contained in the BSA papers on deposit at the Birmingham Central Reference Library, MS 321/A (Reports and Accounts).

35. Rogers was Unionist MP for Moseley in Birmingham between 1918 and 1921. Manville had been President of the Society of Motor Manufacturers and Traders (SMMT) during 1911-1912, a founding Vice-President and long-time Council member of the FBI and a Conservative MP for Coventry. While in Parliament, he was Chairman of the House of Commons Industrial Group. Before becoming appointed Chairman, Arthur Pollen had been on the BSA Board during the 1920s and was also a Vice-President of the FBI. Alexander Roger was a Director of the Commercial Bank and the Midland and was also a Vice-President of the FBI. See the various entries for the above in the Dictionary of Business Biography.

Moseley district in Birmingham for the Conservative Party between 1921 and 1950 and was a close associate of Neville Chamberlain (who had also been on the BSA Board as Managing Director of BSA Cycles, which covered both the motor cycle and bicycles subsidiaries, during the early 1920s).³⁶

Other Board members during this time had similar backgrounds. Lord Eugene Ramsden, long-time Unionist MP for Bradford North, was Chairman of the National Union of Conservative and Unionist Associations during 1938-1939 and a Director of the Lloyds Bank. Sir Francis Joseph was President of the FBI in 1935 and a Director of the Midland Bank. Commander G. Herbert, who was Managing Director of BSA Cycles left the company in 1935 to become a Director of Standard Motors, where his brother-in-law R.W. Maudslay was Chairman and founder. Although he was not actually on the Board for most of the 1920s and 1930s, former Director Dudley Docker, one of Britain's leading business figures, remained highly influential and was often consulted about company affairs.³⁷

Nor was the question of leadership all that separated BSA from the other firms. Not only was it the industry's biggest producer but it also offered the single most comprehensive model line-up available in Britain, or for that matter,

36. Hannon was also a founder of the British Commonwealth Union, founder and President of the National Union of Manufacturers and a Vice-President of the FBI. After the war he would be appointed a Director of the Dollar Export Board. See Hannon's obituary in The Times, 11 January 1963. Box 17 of the Hannon Papers, on deposit at the House of Lords Record Office, contains a large amount of his correspondence with Chamberlain. Hannon was also President of the Aston Villa Football Club.

37. See R.P.T. Davenport-Hines, Dudley Docker. The Life and Times of a Trade Warrior, London: Cambridge University Press, 1984, pp.214-233.

anywhere else.³⁸ This breadth of production was a point of some pride to the company and Chairman Hallelwell Roger once informed shareholders that the secret of its success was the ability to provide a "thoroughly reliable range of machines of almost every kind, fit for any purpose, by any person of any age in any country and at almost any price."³⁹ [See Appendix 1, Table IV].

Yet by the beginning of the 1930s, BSA seemed to be drifting into serious financial difficulties. Although the company paid out a dividend of 5 per cent for the year ending 31 July 1930, that was the last time shareholders saw any return on their investment for several years. The Depression hurt the company, but much of its trouble seems to have been generated by general disorganisation and, more particularly, bitter dissension among Board members.⁴⁰

Relations between Chairman Manville and Percy Martin, Managing Director of the Daimler motor car subsidiary were particularly strained. At one highly emotional meeting, Manville was reduced to tears after a dispute with Martin, although he was then rounded on by Arthur Pollen, for "upsetting the whole internal organisation of the company by his impulsive and dictatorial methods."⁴¹ In a letter written in 1933, Hannon recalled that Board business over the past few years had been "conducted in such an atmosphere in which, to

38. Ryerson, *op cit*, p.46.

39. See Chairman's Speech, delivered on 29 April 1924, contained in the BSA Collection, MS 321/A, Birmingham Central Reference Library.

40. In 1931 BSA suffered a loss of £204,194 and another loss of £797,928 the following year.

41. See correspondence, Hannon-A.W. Wood (a future BSA Board member), dated 1 October and 4 October 1932, both contained in Box 31, file 1 of the Hannon Papers.

put it mildly, feeling of mutual confidence and accommodation was not a conspicuous feature."⁴²

Both Pollen and Martin soon left the company and the new Chairman Alexander Roger was able to convince his fellow Board members to work together more effectively. However, the company still appeared to function at less than its full capacity. The various subsidiaries, although disparate, could have been combined into a more cohesive group of mutually reinforcing units. This did not happen. In 1937 Chairman Roger circulated a memorandum to other Board members noting that the various subsidiaries were not only separate geographically, but "in essence their products are so diverse as to enable one to say they have little or no relation to each other." As will be shown, poor coordination within the BSA Group remained an intractable problem.⁴³

The remaining motor cycle companies were a mixed bag. Many of the medium sized firms produced a fairly extensive product line in their own right, albeit often at a higher price than those of the 'Big Six'. Companies such as Velocette, Douglas and Rudge provided fairly sophisticated larger displacement machines, many of which catered to racing enthusiasts at

42. See memorandum prepared by Hannon, dated 13 December 1933 and entitled 'Administration of Birmingham Small Arms Company', contained in ibid.

43. See memo, 'BSA: Notes on BSA Organisation by the Chairman', dated 29 June 1937, contained in MRC MSS 19A/1/2/54. Roger's confidential assessment of his company had already been publicly noted by one business journal. The Stock Exchange Gazette stated that BSA was "far more a holding concern than a direct owner and operator of plant." See article contained in the 1 February 1935 issue. One of the few recorded instances where one subsidiary assisted another occurred when a BSA motor cycle was fitted out with the Daimler fluid flywheel and preselective self-changing gearbox. It was not a great success. See untitled feature about the motor cycle in question, The Times, 23 November 1933, p.12.

correspondingly higher prices. There were a number of firms, such as Francis-Barnett, James and Excelsior, which manufactured lighter weight machines and were heavily dependent on several proprietary engine manufacturers, especially Villiers Engineering. As with the larger companies, these firms tended to be owned and managed by motor cycle enthusiasts who often were directly involved in the design, production and testing of their own products.

Three examples illustrate this point. Eric Barnett, son of Francis and Barnett founder Arthur Barnett, joined the firm in 1920, being appointed a Director eight years later. A keen enthusiast, he participated in sports events such as the Scottish Six Days trials and the Colmore Cup. Ernest Humphries was the long time Managing Director of OK Supreme, a family owned firm. As early as 1899, he was building his own motor cycles, one of which was raced in the 1912 Junior TT. Finally, virtually the entire Goodman family, owners of Velocette, were dedicated motor cycle enthusiasts. Brothers Percy and Eugene Goodman were, respectively, Managing Director and Works Director. The former was familiar sight on various race tracks, a tradition kept up by Eugene's son Peter, who headed the company's competitions team until he was injured while racing in 1948.⁴⁴

The industry was represented by a trade association, the British Cycle and Motor Cycle Manufacturers and Traders' Union ('the Union'), whose membership included virtually all

44. See biographical piece on Barnett, prepared by R.H. Thomas, The Export Trader, June 1946, p.332; and Humphries obituary, The Motor Cycle and Cycle Trader, 13 December 1963, p.90. Details on the Goodman family are from Wilson, op cit, vol.6, pp.190-208.

enterprises connected in one way or another to the production or retailing of bicycles and motor cycles.⁴⁵ The Union, which was based in Coventry, had a number of functions including organising the annual Show (open only to its members for display purposes), representation of the views of the industry with respect to legislation and taxation, general Parliamentary activities and other dealings with government including the matters of tariff and import rates. The Union arranged for intelligence reports on overseas markets and general advertising campaigns as well as technical coordination through bodies such as the British Motor Cycle and Cyclecar Research Association. The Union also worked closely with the Auto Cycle Union (a branch of the RAC) to regulate approved sporting events.⁴⁶

The Union's chief executive body was the Management Committee, composed of representatives elected at the Annual General Meeting. It met on a regular, usually monthly, basis. There were also subsidiary groups such as the Motor Cycle Manufacturers' Section, along with similar bodies for proprietary article manufacturers and exporters, designed to deal with problems specific to those members. The Union's President was elected from amongst delegates each year at the General Meeting and was usually a senior executive from one of the affiliated firms. In fact, virtually every significant

45. The Union had been founded in 1910, as a continuation of an existing organisation representing bicycle manufacturers. It kept its name until 1956, when it became known as the British Cycle and Motor Cycle Industries' Association. See the Union's Annual Report for 1956, p.2.

46. An very brief outline of these activities is also contained in 'The Cycle and Motor Cycle Industry' by H.R. Watling, contained in H.J. Schonfield, The Book of British Industries, Edinburgh: Denis Archer, 1933.

Managing Director served as Union President at some time.

There was also a small permanent staff, headed by a Director.

Between 1919 and 1953, the Director was Major H.R. Watling, a man well-known to manufacturers and retailers as well as civil servants during the course of his duties.

At the heart of the Union's authority over the industry was the Bond and an interlocking series of Agreements that all members had to sign as a condition of membership. The Bond required all members to strictly follow the rules of the Union, preventing them from participation or support of any advertising, commercial shows or sporting activity which it had not officially sanctioned. Infractions of Union rules would invariably result in stiff fines and other penalties, which were enforced through the offices of an associated organisation, the Cycle Trade Union (CTU). The CTU had available to it an arsenal of measures to punish breaches of the Bond and Agreements, including fines and placement on a 'Stop List' (that prevented other Union affiliates from having any dealing whatsoever with a wrongdoer).⁴⁷ The Bond also set the terms and conditions of the allowable discounts and rebates that could be offered by manufacturers to their retailers and by the retailers to the public.⁴⁸

In essence this system, re-enforced by the agreements between the Union, manufacturers, component makers and factors, prevented any motor cycle, once the price had been

47. The Guardbooks of the CTU contain a number of case files relating to various miscreants who had broken Union rules and had suffered the appropriate punishment. See MRC MSS 204/CT/3/1/1-5.

48. See, for example, the 1935 Bond, on deposit with the Union Papers in the MRC at MSS 204/4/4/1. The agreements were renewed annually.

set by the manufacturer, from being sold at a lower price by any retailer. It also prevented, among other things, a retailer from selling any motor cycle acquired from a manufacturer who was outside the Union and vice versa. This system had been created in the mid-1920s, as a response by the industry to falling profit levels. Starting as an agreement limited to several firms, by the 1930s it had been adopted by all Union affiliates as a means of stabilising the industry.⁴⁹

Was this price maintenance in fact price fixing? The Union did not think so and vehemently asserted that price maintenance was fair and voluntary, created in the best interests of all concerned, whether they be manufacturers, retailers or consumers.⁵⁰ However, although the Union's files do not contain much material directly relating to price fixing, there is strong evidence that it did in fact take place until outlawed during the 1950s.⁵¹

49. See document entitled 'Pricing Agreement between: BSA, Raleigh, Enfield, A.J. Stevens, H. Collier and Son and Rudge-Whitworth', dated 1 September 1927. The preamble of the Agreement stated that its purpose was the "promoting and protecting" of the trade from "the financial loss and injury that would flow from undirected competition and price cutting amongst themselves." See item #134, at the BSA Collection, Solihull Public Library. See also memo entitled 'Motor Cycle Prices', dated 1 April 1924, which outlined discussions among certain companies which had led to "joint action taken to increase the retail selling prices of motor cycles by 5% on May 1st." The memo is contained in Guardbook MRC MSS 204/3/1/9.

50. A point repeatedly made by Major Watling, when he testified before the Committee on Resale Price Maintenance in July 1948. A verbatim transcript of the proceedings is contained in PRO BT 64/540, file 376/1949.

51. In one instance, during the Union's Motor Cycle Manufacturers' Section meeting of 5 April 1937, there was what was recorded as "a full discussion in which all members represented at the meeting took part" that resulted in an unanimous agreement to raise retail prices by at least 30/- the following month. The minutes are contained in minute book MSS 204/1/1/14.

The Union was a profit-making institution in its own right, thanks to its sponsorship of many successful Annual Motor Cycle Shows. Union bank balances were always well into the black and throughout nearly all the period in question it possessed financial resources measured in tens of thousands of pounds, which continued to grow year by year. For example, in 1934 its balance was £69,561, a total which had jumped to £77,888 by 1939.⁵²

Public interest in the industry was catered for by a popular motor cycle press aimed primarily at enthusiasts. Two magazines, The Motor Cycle and Motor Cycling, dominated the market although there was also a weekly industry journal, the Cycle and Motor Cycle Trader, which had a circulation restricted to the manufacturers and retailers, a fact which made its pages echo with more frankly stated opinions than were found in the other two.⁵³ The two popular journals enjoyed a close relationship with the industry. It was not uncommon, for example, for their editors to be invited to important Manufacturers' Union meetings in order to put forward their views. Nor was it unusual for members of the press to jump to the industry or back again.⁵⁴

52. See the Annual Report and Balance Sheet for 1934 and 1939. Contained in the Union's papers, MRC MSS 204/4/3/2.

53. In 1934 the circulations of the three journals was estimated as follows: The Motor Cycle, 126,004, Motor Cycling, 39,160 and the Motor Cycle and Cycle Trader as 8,550. The figures are provided in the minutes of the Management Committee meeting of 12 March 1935 contained on page 2146 of the Union's Minute Book, MRC MSS 204/1/1/12. Another popular journal, The Motor Cyclist Review, went out of business in 1930.

54. Graham Walker, for example, was an executive with the Rudge-Whitworth motor cycle company before going on to become editor of Motor Cycling.

There were two major international competitors, the Americans and Germans, who offered very different products to their clientele. The American industry had been robust until just after the Great War, when it had made significant incursions into many important British export markets. American firms were subsequently devastated by the appearance of cheap cars, notably the Ford Model T, which had flooded onto the roads after 1913, severely undercutting both their home market and competitiveness abroad.⁵⁵ By the late 1930s, only two companies, Harley-Davidson and Indian, had survived. While the American motor cycle market had shrunk radically in size, the two companies continued to have some limited, albeit declining, success in overseas markets, mainly in the Americas and certain British Dominions. Because American motor cycles were invariably large, powerful (and higher priced) machines designed for long distances and rough roads, they were popular in underdeveloped areas.⁵⁶

The German industry, a leader before 1914, had gradually progressed during the 1920s and, in terms of overall production, had actually overtaken the British industry in

55. According to statistics maintained by the Union, in 1934 the number of motor cycles registered on American roads amounted to a total of 95,643 machines although there had been 210,000 machines registered in 1923, a figures which slipped to 126,850 three years later. See Review of the British Cycle and Motor Cycle Industry (third edition). Coventry: British Cycle and Motor Cycle Manufacturers and Traders' Union Ltd., 1935, p.8. For American exports, see memo '111/1922' (which describes the situation in Africa and India), dated 17 October 1922, contained in Guardbook MRC MSS 204/3/1/8 (a and b). See also memos entitled 'Trade in New Zealand', dated 30 October 1922 and '225: Trade in Sweden', dated 2 August 1923, both contained in Guardbook MRC MSS 204/3/1/9.

56. See 'Motor cycles in the USA. Reasons for Decline', contained in the Union's Quarterly Journal, October 1927, p.389, MRC MSS 204/4/2/4. See also 'Report on the USA', The Motor Cycle, 24 December 1924, p.1066.

1929. However, aggregate figures were misleading, since much of Germany's powered two-wheel production comprised small capacity machines primarily in the 50cc to 100cc range, which was in turn a reflection of lower domestic purchasing power. Consequently, these machines were popular with the middle classes, acting in effect as a substitute for lightweight motor cars.⁵⁷ The German industry was included a greater number of firms than the American, but offered a more diversified product line, although less extensive than the British. Devastated by the 1929 Crash, it quickly recovered after 1933 thanks to the supportive nature of National Socialist transport policies. German production overtook the British once again in the middle of the decade and this again reflected the success of the cheaper, small capacity machines.⁵⁸ [See Appendix 1, Table V].

If there was real substance to the claims of 'British Supremacy' in the motor cycle world, it was equally true that the industry suffered from a number of serious weaknesses that

57. The proportion of motor cycles in Germany under 200cc had grown to 60.5 per cent of all registrations by 1936 and jumped to 72 per cent in 1938. See Fritz Blaich 'Why Did the Pioneer Fall Behind? Motorisation in Germany Between the Wars' in Theo Barker (ed) The Economic and Social Effects of the Spread of Motor Vehicles, London: Macmillan, 1987, p.151. For a perception from the perspective of British manufacturers, see 'Trade in Germany - An American view', contained in the Union's Quarterly Journal, April 1926, MRC MSS 204/4/2/3. See also 'Germany adopts the motor cycle', The New York Times, 6 January 1929, p.34 and "German motor cycles - bid for supremacy in production", The Times, 5 August 1929, p.9.

58. The Motor Cycle had already noted the "amazing growth" of the German motor cycle industry during the late 1920s, see 18 April 1929, p.602. For an explanation of the causes for the slow growth of the German motor industry during the 1920s, see I.D. Turner, British Occupation Policy and its effects on the town of Wolfsburg and the Volkswagenwerk, 1945-1949, (unpublished UMIST Phd. dissertation, 1984) and R.J. Overy, "Cars, Roads and Economic Recovery in Germany", Economic History Review, 2nd Series, Vol. XXVIII, (1975), pp.466-483.

could not be glossed over. Indeed its supremacy had been undermined from the late 1920s onwards and by 1935 the industry found itself in the middle of a severe crisis.

In brief, home and export markets had suffered a massive drop in sales and motor cycle usage. Between 1929 and 1934, overall production had tumbled from 120,000 to 60,000 units, the number of motor cycle registrations (the index of the motor cycles in actual use in Great Britain) had declined from an all-time high of 790,000 to 540,000 units, while exports had virtually collapsed, falling from 62,377 to 16,807 units (although, in relative terms, British exports still remained greater than those of her rivals). Of course some of the drop could be attributed to the world-wide Depression which had hit other businesses equally hard. Yet the motor car industry, while suffering initially, had recovered by 1935 and was enjoying record sales. What was happening in the market? Why had British and overseas consumers stopped buying motor cycles at the previous rate?

Two major factors underlay the shift in consumer preference. One was that while the prices of motor cars, especially the light-weight or 'baby' cars produced by Austin and Ford, had continued to drop during the 1920s and 1930s, those of motor cycles had remained relatively constant, so eroding their original advantage.⁵⁹ The second factor was the continuing

59. By the Society of Motor Manufacturers and Trader's (SMMT) calculations, using a benchmark of 100 in 1924, prices had dropped to 49.8 by 1935. See the SMMT, The Motor Industry of Great Britain 1939, p.47. The question of motor car prices during the interwar period is addressed in Roy Church and Michael Miller 'The Big Three: Competition, Management, and Marketing in the British Motor Industry, 1922-1939' in Barry Supple (ed.), Essays in British Business History, Oxford: Clarendon Press, 1977; the drop in car prices also eroded the

technical improvements occurring in the motor car industry: electric starters, all-metal bodies (providing better weather protection) and vastly improved suspension systems were only some of features now frequently added as standard to even economy cars.⁶⁰

By comparison, motor cycles had remained technologically unchanged and continued to demand more of their operators: they had to be kick started, there was no effective protection against inclement weather, suspension systems were questionable and they were by nature inherently unstable.⁶¹ Carrying capacity, even with a sidecar, was still less than that offered by the smallest standard motor car. Despite the best efforts of designers, motor cycle riders and their pillion passengers remained far more vulnerable to injury than if they were in a motor car.

Motor cycles had also suffered in relation to motor cars in terms of social acceptability and prestige. Ownership of a two-wheeled vehicle simply did not have the same cachet that increasingly came with ownership of four wheeled transport. Writing in a popular journal, one motor cyclist had to admit that his chosen mode of travel put him at a disadvantage. "I must agree," he noted, "that occasionally people in business

advantage motor cycles had previously enjoyed with respect to maintenance costs. See Ayton et al, Op. Cit., p.40.

60. For detail on advances in motor car technology, see T.P. Newcombe and R.T. Spurr, A Technical History of the Motor Car, Bristol: Adam Hilger, 1979, p.42, p.48 and p.43.

61. This was a point discussed in popular journals, see for example, 'Finality of design. Has the motor cycle field stagnated?', The Motor Cyclist Review, November 1929, p.229. In fairness to the motor cycle industry, it should be noted that there had been great advances in the quality of tyres, brakes and steering mechanisms. These, however, were simply insufficient to counter-balance the natural disadvantages of the motor cycle when compared to the motor car.

are rather inclined to look down their noses at a fellow who turns up on a motor cycle."⁶² Although the industry did its best to promote continued use of its products on the grounds of cheaper running costs, this appeared to have become a losing battle.⁶³

It was the matter of price which was probably the most important determining factor in the choices British consumers made between a car and a motor cycle (with or without a sidecar), notwithstanding Hire/Purchase schemes and low deposits. As the motor car industry adapted more and more to American style systems of mass production, the type of motor car bought by British consumers changed. There was a sharp increase in the sales of models with ratings of less than ten horse-power. Indeed, between 1929 and 1936 the numbers of these machines registered for road use increased by 236,353 to 842,514, or 256 per cent. Higher volume production was followed by lower prices. Moreover, there was also a concurrent development which was probably just as, or perhaps even more, damaging to motor cycle sales. This was the growth

62. See also 'Motor cycle or car?', by Richard Twelvetrees, The Motor Cycle, 8 August 1929, pp.203-204. The point of diminished social prestige is directly addressed in Christopher T. Brunner, The Problem of Motor Transport, London: Ernest Benn Ltd., 1928, pp.33-34. Nor had this problem improved by the end of the 1930s. Columnist Francis Jones referred to the "typical case in the suburbanite, not too sure of his own social standing, who is a bit doubtful about what the neighbours will think if he is seen going about by motor cycle instead of a small car." See, 'Attack the market from the top' by Francis Jones, Motor Cycle and Cycle Trader, 7 July 1939, p.18.

63. See, for example, 'Sidecar combos for business and pleasure' The Motor Cyclist Review, August 1925, p.23, 'Where does the sidecar stand?', ibid, October 1928, p.160 and Carry on by Sidecar, Coventry: British Cycle and Motor Cycle Manufacturers and Traders' Union, 1927. The latter is contained as an insert within the British Industries, 15 September 1927, MRC MSS 200/F/4/24/13.

of the used car market, which seriously undercut the economy appeal of the motor cycle.⁶⁴

This comparison was especially acute in the competition between motor cycle sidecar combinations and light cars such as the Austin Seven (users of solo motor cycles would not necessarily be as tempted to switch their machines for a four wheeled vehicle). In the late 1920s there was still a distinct price advantage between a 350cc motor cycle combination and a used eight horse power car. However, ten years later this difference had nearly vanished. Indeed, registration figures of motor cycle combinations show a consistent deterioration, far more acute than those of solo motor cycles.⁶⁵ [See Appendix 1, Tables VI and VII].

Much the same phenomenon was occurring in key overseas markets as well. In Australia and New Zealand, for example, motor cycle dealers informed British manufacturers that sales had been hurt by four wheeled competition. One Australian retailer described how increasing numbers of second hand Austin Sevens were threatening the motor cycle trade. However, he warned, it was the "2nd hand American car market"

64. See Road Traffic Census, 1936 Report, London: HMSO, 1937, p.10. Over the same period of time, the number of motor cycles registered for road use dropped from 731,298 to 505,779, or a decrease of 31 per cent.

65. Miller identifies the "long-run extermination of combinations and tri-cycles" on the fact that they "served as cheap substitutes for light cars and vans." With "their discomfort, exposure to the elements, and limited loads, they were poor substitutes, and only cheapness to run could allow them to compete." All prices used are derived from this source. See Miller, Op. Cit., p.6. This disadvantage was well understood by the industry. As one trade journal noted, "why should a man be expected to pay £60 for a motor cycle when he can get a really first class used car for even less?" See 'Making motor cycle sales' by 'A Well-Known Dealer', Motor Cycle and Cycle Trader, 29 January 1937, pp.80-81.

that most impeded motor cycle sales. Formerly, he continued, "it was the custom of many motor cyclists to buy first a solo machine, then a side-car outfit, and eventually a motor car. A large percentage of them now begin by purchasing solo machines, and sooner or later acquire cars without becoming buyers of sidecars."⁶⁶ Nor was this process exclusive to the so-called 'White Dominions'. A report received from East Africa at around the same time noted that: "In the old days most chieftains rode Sunbeam bicycles and the sons rode Raleigh bicycles. Nowadays, the Raleigh is common amongst the natives and the Chieftains use American cars, whilst the sons ride motor cycles."⁶⁷

While motor cycle manufacturers saw the 'top end' of their markets, at home and abroad, eaten away by cheaper cars, they also encountered a similar problem at the bottom end. During the late 1920s, there was a phenomenal increase in bicycle usage in Britain and by the mid-1930s there were thought to be anywhere up to fourteen million of them in use.⁶⁸ At an average price of between £3.00 and £5.00 each the bicycle met a need for personal transport among those in urban or suburban areas who were not satisfied with public transport. No doubt

66. See memo entitled 'Trade in Australia', dated 5 November 1925, contained in Guardbook MRC MSS 204/3/1/12.

67. See memo entitled 'Trade in East Africa', dated February 1927, contained in Guardbook MRC MSS 204/3/1/15. Reports from Japan indicated that motor cycle sales there had also been threatened by increasing numbers of light motor cars along with an improved public transport system. See memo entitled '60/35: Japan - Use of British motor cycles', dated 21 March 1935, contained in Guardbook MRC MSS 204/3/1/37a.

68. According to Ministry of Transport's 1936 Road Traffic Census, bicycle use had increased by 94.98 per cent from 1931 to 1935. See op cit, p.6.

these commuters could not afford either a car or a motor cycle at the prices being charged for the models available.⁶⁹

What did the critics of the state of the industry have to say about all this? What were their remedies for this crisis? The critics were found in three general groupings. First, there were those inside the industry, whether from particular firms or from the retail end of the business, who thought that more motor cycles could be sold given a change of attitude from those who manufactured and distributed them. Second, there were technical people such as engineers and press commentators disturbed by the lack of progress in the industry, who made numerous and unfavourable comparisons between Britain, Italy and Germany. Finally, there were those offended by the fundamental character of motor cycles, especially their noise as well as the manner in which their riders operated them. These latter critics tended to be ordinary citizens, members of organizations such as the Anti-Noise League and the Pedestrian Association, although they also included sections of the trade and business press, the judiciary and Parliamentarians.

The criticism boiled down to two major issues. Growing numbers of the public had become increasingly irritated by the level of noise created by motor cycles during sports events, never mind during normal use or in the hands of over-enthusiastic riders. Government officials received complaint after complaint about the noise and disruption caused by

69. The average price of bicycles is found in the Census of Production for 1935 at p.377; see also Miller, op. cit. for details on other perceived barriers preventing bicycle owners upgrading to motor cycles.

rallies, trials, beach racing and so forth. There was also public uproar about the hazards of pillion riding, the high fatality rate among young motor cyclists as well as the dangers created for other road users by reckless riding habits.⁷⁰

The latter point was addressed by H.A. Tripp, Assistant Commissioner of the Metropolitan Police, when he gave evidence before the Select Committee of the House of Lords on the theme of 'The Prevention of Road Accidents' in May 1938. Tripp attributed the dangers of motor cycle riding to the very nature of the machine itself: serious injuries were inevitable, "largely on account of the vulnerability of the motor cyclist." Another group of critics who caused the industry much irritation were coroners. Indeed, the manufacturers were often deeply offended by their findings which were full of harsh condemnations against the supposedly reckless behaviour of young motor cyclists and the correspondingly high level of fatal accidents. In 1934, Major Watling had actually petitioned the Lord Chancellor, urging him to prevent coroners from including such gratuitous criticism in their reports.⁷¹

70. Some of the complaints to various public officials can be found in the PRO HO45, particularly sub-files 17413, 17413 and 456309. There was evidently a widespread belief among motor cyclists that they were subject to much bias and discrimination from the courts and the police forces. See, for example, "Those Anti-Magistrates" contained in The Motor Cyclist Review, March 1929, p.413.

71. See House of Lords Sessional Papers, 1937-1938/4, Report by the Select Committee of the House of Lords on the Prevention of Road Accidents together with the Proceedings of the Committee, Minutes of Evidence and Index." (1938). Tripp's evidence is found at pp.49-50. Mention of Watling's approach to the Lord Chancellor about British coroners is contained with the Union's Annual Report for 1934, p.3, MRC MSS 204/4/3/2. Evidently, he kept up the pressure in 1935 and

However, far more fundamental to the future of the industry was the debate over the economy motor cycle and its attendant theme, the potential for gaining female consumers, which had been the subject of much controversy for years. This criticism really turned on the issue of what the market was or rather what it could become. The critics maintained that it could be much enlarged if only the industry would adopt a more progressive approach to what they made and how they marketed their products. This was especially true for the manufacturers of 'economy' motor cycles, since some press commentators saw the small machines as the salvation of the industry.⁷²

The question of how to convince women, who made up only a small proportion of Britain's motor cycling population, to buy more of their products posed an especially difficult problem for the industry. Throughout the 1920s there had been a concerted effort by the popular motor cycle press to make motor cycling more appealing to women. The Motor Cycle, for example, had a regular column, entitled 'Through Feminine Goggles', written by female sports figures, and there were also numerous although irregular features about motor cycle maintenance and suggestions of touring destinations prepared with women specifically in mind.⁷³ At the same time,

1936 as well. There is no indication on whether or not the Lord Chancellor was ever receptive to the Union's lobbying. 72. There was considerable discussion in the motor cycle press during the 1920s and 1930s about what kind of machines should be built by the manufacturers. See for example "An 'Everyman' Prophecy" by 'Ixion', The Motor Cycle, 31 January 1929 p.158 and "Making Motor Cycle Sales" The Motor Cycle and Cycle Trader, 29 January 1937 p.80.

73. See 'Through Feminine Goggles', The Motor Cycle 1 June 1922, pp.712-715, ibid, 15 February 1923, pp.212-214 and ibid, 4 February 1926, pp.157-159. Such publicity was not only

manufacturers went out of their way to encourage and publicise the activities of female motor cycle sports participants. In 1926, for example, the Union sponsored a banquet during the annual Motor Cycle Show in order to publicly honour them.⁷⁴

The campaign to interest women in motor cycling was not a great success. Although it claimed that more motor cycles were being purchased and ridden by women, the industry failed to develop this potential market because of its inability to resolve its own internal contradictions.⁷⁵ On the one hand, the manufacturers thought they could best publicise motor cycle use by encouraging female competition riders. But, on the other, many in the industry also believed that women should be prevented from participating in those same sports events. In 1927, for example, Marjorie Cottle, undoubtedly Britain's best known female motor cycle rider, was banned from a trials event simply on the basis of her sex, even though she had more than proved her competence in earlier contests.⁷⁶

found in the trade press. In 1928 Pitman and Sons, who produced a series of books as part of 'The Motor Cyclists' Library', also published Motor Cycling for Women, written by twin sisters Betty and Nancy Debenham, who were well-known motor cycle enthusiasts. The book, which contained chapters with titles such as 'Our First Side Car Tour' and 'The Road Girl's Complexion', also included an introduction prepared by Major Watling, who thought its appearance was "significant of the growing interest in motor cycling amongst women."

74. See 'My Lady comes to Town' by 'Hildegard', The Motor Cycle, 14 October 1926, pp.694-697.

75. An undated [probably late 1920s] photo story about Marjorie Cottle, a well-known motor cycle trials rider, shows her presenting a bouquet to the aviator Amy Johnson, "on behalf of 50,000 admiring British women motor cyclists." The story is contained in Guardbook MRC MSS 204/3/1/25.

76. See 'Random jottings' by 'Waysider', contained in The Motor Cyclist Review, July 1927, p.12. Women had already been expelled from the Motor Cycle Club (MCC) in 1910, without any explanation. Women were finally readmitted in 1946, in recognition of their war-time contributions to British industry generally. See 'The MCC decides ...', The Motor Cycle, 31 January 1946, p.87.

Others noted that the emphasis on sports was by its very nature a self-limiting strategy when it came to enlarging the market. Women seemed to ride motor cycles for much the same reason as many men. As one observer noted, instead of creating a new type of consumer, most female riders "are all more or less of the sporting class, who use motor cycles for the pleasure they provide rather than for business or shopping purposes."⁷⁷ That factor, in turn, raised the question of whether or not the industry should change its current manufacturing strategy and start to concentrate on providing British consumers with a utility or 'Everyman' motor cycle.

This was a point also much discussed in the late 1920s. The Motor Cycle, for example, criticised the industry for having overly catered to "the needs of the sporting athletic rider." Manufacturers should try and improve comfort and economy instead of always stressing how fast their motor cycles could go. The journal challenged them to develop a cheap, reliable and low-powered machine and offered a prize of £500 for the company that could provide such a machine.⁷⁸ Major Watling also championed the cause of this type of motor cycle. Writing in another popular journal, he stressed how such a machine would increase the size of the motor cycle market by appealing to non-motor cyclists, those he defined as "the parson, retired civil servant, the business man and the clerk." In private correspondence with manufacturers, Watling was even more emphatic. While sports oriented buyers were

77. See untitled feature, The Motor Cyclist Review, February 1927, p.651.

78. See 'A plea for 'Everyman' motor cycles', The Motor Cycle, 3 January 1929, pp.30-31. There is no record of any manufacturer having claimed the prize.

"comparatively few", the number of 'utility' buyers was "illimitable."⁷⁹

Few manufacturers took up this challenge. In large part, the problem was that, in the absence of any effective marketing surveys, no-one in the trade really knew who exactly was buying motorcycles and why.⁸⁰ There were two schools of thought which addressed this question. In public, the industry confidently asserted that their market was made up of mostly young working-class males, who primarily used motor cycles to commute to and from work.⁸¹ The growth of suburban housing estates and new factories outside of city centres had facilitated this development. Some within the industry

79. See 'The 'Utility' motor cycle', by Major H.R. Watling, The Motor Cyclist Review, September 1929, pp.129-130. See also memo entitled '87/26 - Silencing of motor cycles' dated 12 August 1926, contained in Guardbook MRC MSS 204/3/1/14.

80. From what evidence that survives, it seems that there was no systematic marketing surveys of any description being conducted for the motor cycle industry at this time. As one industry based commentator remarked: "Who uses motor cycles, and why? is a simple question, and the answer should not be too difficult to find if some attempts were made to discover it. And yet today there is no one in the country who can with accuracy provide that answer, because the job of finding it out has never been properly tackled." See "Who rides motor cycles - and why?", The Motor Cycle and Cycle Trader, 4 March 1938, p.165.

81. At least this was the opinion of BSA's Chairman, who in a speech to shareholders, identified "the wage earning classes" as "the backbone of the motor cycle market on which the prospects of your Birmingham factory depends." See Chairman's Speech of 15 November 1932. Copy on deposit in the BSA papers, MS 321/A (Reports and Accounts) at the Birmingham Central Reference Library. His words were later echoed by the Chairman of AMC during his speech to the shareholders at the Annual General Meeting held on 28 December 1939 when he identified their market as being "principally comprised of young men." See AMC Annual Report for 1938/39, on deposit at the Guildhall Library, London. Company chairmen were not the only ones who believed the connection between motor cycles and the working classes. Leo Amery, then Secretary for the Dominions, declared that the motor cycle was "the poor man's car." See 'A flourishing industry', Daily Telegraph, 6 October 1926, contained in newspaper clipping book MSS MRC 204/10/1/1.

regretted the association between the working class and the motor cycle. As one journal observed, the problem seemed to be that the industry had now slipped downmarket in comparison with its motor car counterpart: "Cars are Harrow, bikes are Borstal."⁸²

The critics remained unconvinced. Was a large displacement 350cc to 500cc motor cycle, the industry's biggest selling product, really necessary for day to day commuting? After all, one could quite as easily reach the local factory on a small 150cc (or less) machine. Nor did this take into account the fact that motor cycle use had a strong appeal to many who were hardly working-class commuters, even if they were only a minority of the market. Throughout this period, The Motor Cycle regularly carried news about the Public Schools Motor Cycle Club as well as kindred groups such as the Oxford University MCC.⁸³ These were unlikely to have been bastions

82. This was the opinion of 'Peeping Tom' in "Hampered by the DU [Dealer/Union] Agreement", Cycle and Motor Cycle Trader, 17 June 1938, p.214. S.A. Davis of the British Motor Cycle Association was quite certain of the connection between the working class and the motor cycle when providing testimony before the Select Committee of the House of Lords on the Prevention of Road Accidents on May 19, 1938. See pp. 337-338 of the Proceedings. One business journal noted that the motor cycle industry's main clientele "tends to be restricted to workers living at a greater distance than the average from their employment. Week-end pleasure users, though numerous, tend to become proselytes to small-car ownership, and youthful lovers of speed find light sports cars more to their taste." See 'Cycle and Motor Cycles', The Economist, 30 November 1935 pp. 1059-1060.

83. Although many public schoolboys were devoted to their motor cycles, some headmasters clearly disapproved. In 1923 there was an inter-school competition sponsored by the North West London Motor Club at Amersham. The match could not be prevented but, "for some reason or reasons presently unknown", the headmasters had forbidden their boys to compete under the names of their respective schools; The Motor Cycle 12 September 1923, 'Motor cyclists in the making', pp.373-374. See also, 'Schools in competition', ibid, 11 January 1923, p.63. The Motor Cycle also produced a special volume

of proletarian membership. Nor could T.E. 'Lawrence of Arabia' Lawrence, then probably Britain's best known motor cycling enthusiast, have been thought of as a typical factory commuter.⁸⁴

Sporting events were often the focus of attention for large groups of motor cycle enthusiasts and these, too, attracted spectators from various social backgrounds. The New Statesman reported that at the Isle of Man TT races "universities and public schools vie with the garage hands and Birmingham stockbrokers in their interest." Crowds on the Island were said to be teeming with "thousands of youngsters in Harris tweeds with club ties; as many North Country artisans with their sweethearts; and the greedy efficient people who sell cycles in every city and town from Land's End to John O'Groats."⁸⁵

These races attracted much of the critics' ire. They pointed to the industry's near obsessive pre-occupation with sports functions such as the TT, events characterised by an emphasis on speed and good handling that generally required large and high-powered motor cycles. This accent had in turn a corresponding and, some thought, detrimental influence on motor cycle design and expended resources that could have been

entitled The Motor Cycle Book for Boys London: Iliffe and Sons Ltd., 1928. If the illustrations are to be believed, this was directed at the male offspring of middle-class parents.

84. After Lawrence died in a motor cycle accident, he received an obituary in The Motor Cycle issue of 23 May 1935, p.708. Lawrence regularly rode, indeed was killed on, a Brough Superior, undoubtedly the most expensive motor cycle in Britain at the time. A Brough could cost as much as a new higher grade economy car, about £140.

85. See 'About Motoring', New Statesman, 12 June, 1926.

used to develop more utilitarian models.⁸⁶ One trade journal blamed the industry for devoting "an excess of energy to the sporting element of motor cycling, with its resultant excess of noise, lack of flexibility, and limited appeal."⁸⁷ Major Watling, another critic of over-reliance on the race track, actually counselled abandoning the 1931 TT. What was the point, he wrote privately, of focusing so much attention on an event which provided only "temporary advantage to not more than two firms."⁸⁸

By 1935, the critics were concluding that the industry was truly at a cross-road. As one correspondent wrote in the Motor Cycle and Cycle Trader, the industry could not have it

86. "Every credit must be given to those responsible for the advanced stage of development that the racing motor cycle engine has attained. Nevertheless, to put relatively expensive, heavy, noisy engines, difficult to start, and sometimes critically stressed, into commercial production and available to the general public is not in the best interests of the Industry." 'The Motor Cycle Industry', The Automobile Engineer, January 1936, pp.1-2.

87. See 'What's wrong with the motor cycle trade?', a 'A Rider', The Garage and Motor Agent, 11 February 1933, pp.672-674 and 'Making motor cycle sales' by 'A Well-Known Dealer', Motor Cycle and Cycle Trader, 29 January 1937, pp.80-81. Not everyone thought that large sports oriented motor cycles were such a bad thing. Speaking at the London School of Economics, Sir Arnold Wilson, a Tory MP, said that at least the expenses associated with motor cycling kept young men from spending their money on drinking. See 'Everybody's Business', by 'Carbon', The Motor Cycle, 13 March 1935, p.607.

88. See memo entitled 'TT Races 1931', dated 26 February 1931, contained in Guardbook MRC MSS 204/3/1/26. The year before Watling had written that he was "much concerned with the fact that the TT races have once more caused a flood of criticism. Hectic articles emphasising the speed and danger and drawing attention to the 'high spots' of the TT, have been circulating in the press, and so far as this country is concerned, nothing but damage has been done." See memo '187/30. Propaganda for motor cycling', dated 14 July 1930, contained in Guardbook MRC MSS 204/3/1/23. This opinion was shared by the technical press several years on, which noted that the industry remained held back by a "continued emphasis of the sporting and racing aspects." See 'The Motor Cycle Industry', The Automobile Engineer, January 1936, pp.1-2.

both ways. It would have to chose between building the big, often sports oriented, motor cycles or the smaller commuting machines: "You can make your sporting machine, you can make it fast, but so far you can't make it quiet. You can make your motor cycle for the million, but the million just isn't there for a single-track vehicle."⁸⁹ Such was the choice: either the industry would continue to stagnate, catering to its traditional market, or it could attempt to break into a new stratum of potential customers.

How did the industry and its constituent members respond to the crisis and attempt to confound the critics? On 9 July 1935, the Union scheduled a special Management Committee meeting to discuss the alarming drop in motor cycle registrations and exports. The mood of industry leaders was not only dampened by low sales. The month before, for the first time in years, a foreign machine (an Italian Moto Guzzi) had won the senior TT. A stinging blow had been dealt to British racing prestige.⁹⁰ At the meeting, a brief was tabled by Union Vice-President Eric Barnett which summarised the crisis facing the industry. He highlighted several issues which underlay the decline in sales: perceived safety hazards associated with motor cycle operation, competition from small

89. See also "Shall we scrap the TT?" by 'Exporter', Motor Cycle and Cycle Trader, 26 April 1935, p.60. Earlier, the journal had attributed the decline of the market to the over-orientation of manufacturers on the "sporty-boy" enthusiasts, who, "in the past few years [was] the mainstay of the motor cycle market, and for him alone have the manufacturers catered, with the result that practically every machine today is noisier and more ferocious than it should be." See leading article, 'No more uncertainty', ibid, 4 January 1935, p.1. See also, 'The decay of motor cycling', by R.E. Davidson, The New Statesman and Nation, 14 September 1935, p.354.

90. See 'Two foreign wins', ibid, 28 June 1935, p.204.

economy motor cars, the noise which accompanied motor cycle use and high insurance premiums. Barnett was convinced that sensationalist press reporting was one of the main reasons the public had turned away from the industry. Road accidents, for example, "always seem to be given the fullest prominence in the newspaper reports and the existing prejudice is thus intensified." This had, in turn, resulted in fewer younger consumers. British parents were becoming "more and more averse to their boys riding motor cycles: while the girls, who seemed likely to swell the ranks of motor cyclists a few years ago, have practically faded out of the picture."⁹¹

After a lengthy discussion on the issues raised, the Committee resolved to set up two sub-committees to study, firstly, points raised by the critics, especially the noise and safety problems, and, secondly, ways of how to increase motor cycle sales. With respect to technical matters, the Union began to devote some of its financial resources to scientific research to discover better ways of silencing motor cycles. By the late 1930s, the Ministry of Transport seemed to be satisfied with the progress that was being made. In the commercial field, however, the Union had less success, even though some efforts were made to coordinate advertising and to launch a cooperative insurance scheme to counter high premiums. These efforts were initially successful but they seem to have mostly ended inconclusively by 1937, a

91. A copy of Barnett's memo, dated 9 July 1935 and entitled Review of the Situation in the British Motor Cycle Industry is contained in Guardbook MRC MSS 204/3/1/38. Barnett, was a director of Francis-Barnett, a leading manufacturer of smaller displacement motor cycles.

development which prompted further criticism from within the industry.⁹²

Most of the attempts made by the Union to enlarge the market came in the form of attacks on the government's formula of taxation by weight and engine capacity, which it claimed discouraged the public from buying smaller motor cycles and was therefore a serious barrier to increased sales. Another point of contention was recently implemented legislation which required motor cycle driver's licences, tests and compulsory third party insurance, the latter point being thought the cause of the high insurance premiums. The government may have created these requirements out of concern for the public interest but, as far as the industry was concerned, they were simply further deterrents to sales. The Union's solution was for the British government to follow the example of its French and German counterparts and either substantially reduce or simply remove all tax and regulations on motor cycles of less than 200cc displacement.⁹³

If this is what was being done at the industry level, what actions did the individual firms take to increase their sales? Did they try and respond to the proposition that there was a wider market waiting to be tapped if only the right kind

92. See article entitled "Showmanship, " contained in The Cycle and Motor Cycle Trader, 10 September 1937, p.2225.

93. A copy of the Union's brief to the government on the subject of motor cycle taxation is contained in PRO BT 59/24/589. The question of what position to take with respect to taxation was thoroughly canvassed in the pages of the Union's Quarterly Journal, especially in the February and August 1929 and June 1930 issues. Copies of the Journal are on deposit in MRC MSS 204/4/2/5. In contrast to the Motor Cycle Manufacturers' Union, the SMMT was unable to convince its members to reach a unified position on taxation, despite repeated invitations from the government to do so.

of motor cycle was offered? In fact, barring several notable exceptions among smaller firms, it appears that they virtually ignored the critics' suggestions.

BSA, for example, was undoubtedly in the best position to discover whether or not the market was capable of expansion. However, instead of developing a new lightweight economy model, when it came to promoting its newest offering for the 1935 season, the company chose to emphasize a medium weight sports/enthusiast model, the 'Empire Star', a high performance 500cc single cylinder machine which had made a sensational debut on the race track and cost £65 10s. By 1939 the company had actually dropped its only small displacement machine (in the 150cc class) from the catalogue.⁹⁴

BSA was not the only manufacturer to continue building the larger motor cycles. The dramatic recovery of Triumph after 1936 also demonstrates how manufacturers judged where market demand was strongest. On the verge of bankruptcy, Triumph had been purchased by Jack Sangster, who appointed Edward Turner, a young designer at Ariel Motors, as the new Managing Director. Turner completely re-vamped the factory. The model line-up was pruned down to several single cylinder machines in the 250cc, 350cc and 500cc classes, all fitted with sports specification engines. Most significant, in 1937, he took an existing 500cc twin cylinder model and, after a number of modifications, launched it as the 'Speed Twin.' This high-

94. See the BSA Chairman's Speech of 11 October 1934, which specifically mentions the launch of the 'Empire Star' machines. According to the Annual "Buyers' Guide" published by The Motor Cycle, the 150cc model was not available in 1939, although there were more 250cc models for consumers to choose from. The company also continued to offer its 500cc and 1000cc motor cycles.

performance machine, which was a smash hit among sports riders, cost £76 15s. It was unlikely to be the kind of machine that would open a new market of non-traditional motor cyclist but it certainly made profits for the company, and these jumped from £7,000 in 1936 to £35,000 in 1939.⁹⁵

In fact, constructive responses to the critics were restricted to the smaller firms, such as the Coventry based Francis-Barnett company. For the 1935 season, it offered a line-up of seven motor cycles ranging from 150cc to 250cc, two of which were variations of the 'Cruiser' model. The Cruiser seemed to incorporate many of the features that the critics of the industry said a motor cycle should have in order to broaden its appeal to potential owners. It carried a 250cc motor capable of speeds of up to 50 mph, which was enclosed in order to prevent oil from soiling the rider. It had a form of weather protection to keep the rider dry, a silencing system better than most, and was priced at a modest £37 5s. Although selling reasonably well and gaining, no doubt, some welcome profit for the company, it never became the breakthrough to a new market that some had hoped.⁹⁶

By the 1938/1939 season a number of companies (none of them from the 'Big Six') were offering a line-up of auto-cycles

95. Sangster only bought the motor cycle operations of the company, the bicycle and motor car segments went to separate buyers. See 'The Triumph Rejuvenation', The Motor Cycle and Ccycle Trader, 31 January 1936, pp.73-74, Bacon, op cit, pp.180-186, Ivor Davies, op cit, pp.43-68 and Phil Schilling, op cit, pp.121-124. Profit figures are from the 1949 Accounts, contained in the Triumph Engineering papers, MSS 123/2/1/1.

96. For more on this machine see Peter Watson, "Bridging a Gap" Classic Bike, February 1985 and Jonathon Jones, "Comfort with Cleanliness" The Classic Motor Cycle, July 1991. I am indebted to Mr. Watson for bringing the history of this model to my attention.

(mopeds). Indeed, British consumers seemed to react favourably to them and there was a modest interest in the small capacity machines. Because of the outbreak of the war it is impossible to determine how successful these might have become.⁹⁷

Some thought that the manufacturers' cautious approach seemed to have been vindicated when, by the late 1930s, sales appeared to have stopped falling and even to have picked up slightly. What was confusing about the figures was that, while production increased from 55,200 units in 1936 to 82,014 the following year, motor cycle registration numbers dropped from 510,242 to 491,718 over the same period. This seeming contradiction was difficult to interpret. Some suspected that committed motor cyclists were still buying new machines while others simply discarded theirs, being unable to find a place for them in the used motor cycle market. Others in the industry simply dismissed the validity of government statistics.⁹⁸

Even as the Home market began to stabilize, the industry became increasingly concerned about what remained of its export market. It was becoming more difficult to export

97. At the 1939 Show there were nine companies (none from the 'Big Six') which had auto-cycles on display compared to far fewer three years previously. See G.S. Davidson (ed), The Motor Cyclists Annual, 1939-1940, London: H.E.W. Publications Ltd., 1939 and an untitled feature in The Export Trader, December 1938, pp.377-378. The popularity of the auto-cycles, nick-named 'Wilfreds' after a well-known cartoon character of the time, was based on the public's desire for very cheap transport in anticipation of war-time conditions. See Ayton et al, op. cit., pp.170-171 and 'Cheaper than taking the bus', by Brian Woolley, The Classic Motor Cycle, February 1989, pp.32-35.

98. See 'Fewer motor cycles in use', 1 January 1937 p.62 and 'False Figures', 7 May 1937 p.95, both contained in The Motor Cycle and Cycle Trader.

thanks to foreign tariffs and import quotas. In Spain, Poland and Denmark, for example, formerly important destinations for British motor cycles, manufacturers complained that trade barriers prevented them from selling as many machines as they could have done otherwise.⁹⁹ In consequence, exports became increasingly oriented towards Empire and Dominion markets. While sales there had accounted for 41 per cent of exports in 1929, this had grown to 59 per cent by 1935.¹⁰⁰ [See Appendix 1, Tables VIII and IX].

Many in the industry believed that this situation was much aggravated by a series of bilateral trade agreements negotiated by the Board of Trade. The British government, the manufacturers insisted, had to do more to protect their interests. However, as Board officials explained, matters were actually far more complicated than they appeared on the surface. In 1936, for example, when the Union protested at low import quotas agreed to during a set of negotiations with Argentina, they were told to keep their objections private. Trade talks, motor cycle manufacturers were informed, had reached a "delicate situation" because of Argentine concerns over Britain's preferential treatment of Australian meat. The blunt fact was that the Board of Trade's chief priority was to

99. See memos 'Denmark: Import of motor cycles', dated 7 February 1936, contained in Guardbook MRC MSS 204/3/1/39, 'Spain: Imports of cycle and motor cycle goods', dated 15 April 1936, contained in Guardbook MRC MSS 204/3/1/40 and 'Secondary Industries - Treaty Negotiations', dated 15 January 1937, contained in Guardbook MRC MSS 204/3/1/41.

100. See memo '211/35: Review of the British Cycle and Motor Cycle Industry', dated 3 December 1935, contained in Guardbook MRC MSS 204/3/1/39. There were also problems with tariffs in Empire and Dominion markets as well, thanks to the Ottawa Agreement. See, for example, memo '85/36: Australia: Import Restrictions', dated 18 June 1936, contained in Guardbook MRC MSS 204/3/1/40.

ensure a cheap supply of Argentine products, not export more British motor cycles.¹⁰¹

An even more serious threat to exports was the prospect of vastly increased foreign competition. Spurred on by various forms of government incentives, the German motor cycle industry launched a vigorous and successful campaign to sell its products in traditional British markets, especially in Holland, South America and parts of Asia, much to the alarm of the British industry.¹⁰² [See Appendix 1, Table X]. The Union bitterly complained to Government ministers that they were unable to effectively compete with their German rivals because of legislative handicaps. This reflected the considerable difference in attitude between the two nations regarding motor cycles. As one popular journal reported, when Reichs-Kanzler Hitler opened the 1935 Berlin Motor Cycle Show, he was at "pains to stress the national importance of motor cycling and the motor cycle industry." In contrast, had a British politician been in his place, the journal sardonically remarked, he could not have resisted "the temptation to indulge in a peroration about road accidents, controlling the motor cyclist or even abolishing him."¹⁰³

British manufacturers were convinced that the German government did more than simply provide their industry with encouraging words. Not only did the German manufacturers

101. See memo, 'Argentina: Customs tariff', dated 30 May 1936, contained in ibid.

102. A correspondent informed the Union that the Germans were "penetrating with the characteristic Teutonic thoroughness every country East of Suez." See memo entitled '16/37. India: German Motor Cycle Competition', dated 1 February 1937, contained in Guardbook MRC MSS 204/3/1/41.

103. See leading article entitled 'Motor cycles and the politicians', The Motor Cycle, 20 February 1935, p.479.

receive various subsidies which enabled them to sell their products at prices the British found difficult to match, but because of the lack of regulations affecting their motor cycle market (compulsory insurance and drivers' licences for lightweight motor cycles had been waived) they were able to concentrate on fewer models and benefit from larger and longer production runs, thus keeping their unit costs comparatively low. As a result, the British industry insisted, sales of German machines were growing at their expense.¹⁰⁴

Whitehall officials were not moved by this argument. Civil servants reminded industry representatives that German exports were predominantly in the 'ultra-light' (auto-cycle or moped) category, in contrast with the larger and more expensive British motor cycles. As one confided, the real problem seemed to be that Germany had "produced a motor cycle which the world wants and we appear to have lagged behind."¹⁰⁵ This view was shared by others as well. One trade journal noted that overseas buyers "don't want what we want them to want. If the German national were placed as we are, and if cars in America were not so cheap as they are, our export trade in motor cycles would be worth a small packet of snuff."¹⁰⁶

104. See, for example, memos '58/37 - British East Africa: Use of lightweight motor cycles', dated 3 May 1937, contained in Guardbook MRC MSS 204/3/1/42, 'Motor cycle exports: German competition', dated 18 August 1937, contained in MRC MSS 204/3/1/43 and '159/37: Germany: Developments in the bicycle and motor cycle industry', dated 25 November 1937, *ibid.*

105. Information received by the Union noted a "striking increase" in German exports of motor cycles of less than 100cc capacity. See memo '159/37', *ibid.* See also PRO BT 59/24/589, entitled "Department of Overseas Trade, discussion with UK Trade Organisation. No. 25. Motor Cycles dated 26 October 1938."

106. See "Shall we scrap the TT?", *op cit.* There was also a widespread belief that the Germans had moved ahead of the British in terms of technical improvements. According to one

In order to counter the German incursions, British manufacturers began a series of price cuts so as to maintain their competitiveness. The Germans responded with cuts of their own and so commenced a price war which both sides came to see as mutually destructive. The British motor cycle industry was not alone in this struggle; many other industries also engaged in fierce competition with German rivals, a fact which quickly came to the attention of the FBI and the Board of Trade. The outcome was a complex series of negotiations between British and German industries, conducted under the sponsorship of both respective governments, with the aim of reaching what amounted to a set of international cartels. This process culminated in the Dusseldorf Agreement of March 1939. Although the British and German motor cycle industries, which were an integral part of these negotiations, reached agreement in principle with respect to pricing and market share, events later that year prevented their consummation.¹⁰⁷

Had British motor cycle manufacturers been right to avoid building small, economy motor cycles during this period as they had been urged to do by their critics? Or to put the question differently, were the circumstances right for the industry to vastly increase its productive capacity, a pre-

authority, "there was more originality of design from German manufacturers in the late 1930s than from any other source." See Hough and Setright, op cit, p.142.

107. A copy of the agreement, entitled 'Protocoll [sic] of the Result of Discussions of Expert Delegations of the British and German Motor Cycle Industry on March 16th 1939', is attached to the minutes of the Management Committee meeting of 14 February 1939, contained in Minute book MRC MSS 204/1/1/15. For an overview of the Anglo-German commercial talks, see Scott Newton, 'The 'Anglo-German Connection' and the Political Economy of Appeasement', Diplomacy and Statecraft, November 1991, pp.179-207 and C.A. MacDonald, The United States, Britain and Appeasement, 1936-1939. London: Macmillan, 1981.

condition for any decision to start manufacturing and marketing small motor cycles? The reluctance of British motor cycle manufacturers to make a determined entry into the lightweight market could be traced back to the debacle the industry had suffered when it tried to sell scooters in the early and mid-1920s.¹⁰⁸ Industry leaders may have believed that such designs had been tried out before and had been a failure, making them unwilling, especially under the economic conditions then prevailing to take another gamble. It must have seemed far better to stick with the tried and true. The other problem was that, failing volume production, the small displacement machines by definition equalled small profits, a point of great concern to the industry.¹⁰⁹

Assuming that the industry had wished to change its overall orientation, perhaps the only way open to it at the time would have been to narrow down the number of models on offer and reap the benefits of larger and longer production runs, following the German example. But this would have been a very difficult strategy for the British industry to pursue at this

108. See 'Why not a scooter revival?', by 'Nitor', The Motor Cycle, 7 November 1935, p.617 and 'Can the Scooter come Back?' by Francis Jones, Motor Cycle and Cycle Trader, 1 May 1936 p.82. This question was also raised during a discussion which followed Edward Turner's paper entitled 'Post War Motor Cycle Development,' delivered to a meeting of the Institution of Automobile Engineers. See Proceedings of the Institution of Automobile Engineers, Vol. XXXVII, 1942-1943 session, pp.320-321. The scooter craze of the 1920s and two wheeled vehicles like the Ner-a-Car are described in chapter four of Cyril Ayton et al op cit, and 'Scooter-Mania!', by Brian Woolley, The Classic Motor Cycle, May 1988, pp.16-20.

109. For example, according to BSA's financial records, the company made a profit margin of 27 per cent on the 150cc size machines but made 45 per cent on their biggest machines, the G-9 1000cc V-twins. The 500cc 'Blue Star' machines earned a 39 per cent margin. This information is drawn from data contained in BSA's Reports on Accounts, MRC MRC MSS 19A/2/35, p.16.

time for a number of reasons.¹¹⁰ To begin with, many in the industry simply did not believe they should be building motor cycles on any kind of larger scale production basis, and indeed the sentiments of BSA's Chairman, quoted above, about catering to all segments of the market, were quite typical. Nor were they a recent development. When he delivered his evidence to the Committee on Industry and Trade in March 1925, Major Watling claimed that, because the industry was so "fiercely competitive", it had been segmented into "groups which concentrate on special designs for special classes of users, for the user seems to be as individualistic as the manufacturer." Under those circumstances, he continued, "it is useless to think of 'mass' production for the industry in general."¹¹¹

This attitude remained entrenched right to the end of the inter-war period. One trade journal stated outright that mass production methods, by definition, would depreciate the industry's high standards of manufacturing. The Norton company quite openly proclaimed that it was very proud of the fact that it did not have a moving assembly track at its Birmingham factory. To convert to that type of production was, in its mind, to compromise with established standards of quality and craftsmanship. Hence, the major firms seemed

110. AMC's policy with respect to manufacturing and marketing ran directly contrary to this strategy. After it had acquired Sunbeam in 1932 the Chairman assured shareholders that the company was now able to offer consumers, along with its existing Matchless and AJS line-ups, three separate and competing sets of motor cycle models. This was considered a good thing in terms of consumer choice. See Matchless/AMC Annual Report for 1933 on deposit in the Guildhall Library, London.

111. See Minutes of Evidence, Committee on Industry and Trade, (1924-1927), delivered on 12 March 1925, pp.451-452.

quite content to continue building their mostly bigger single cylinder machines in comparatively limited numbers, even if this meant under-utilising factory and plant.¹¹²

Another factor which would have prevented the industry from boosting output was the fact that it was already having great difficulty with quality control. Indeed, there were serious problems in the market with regard to defective motor cycles. For example, in 1936 A.B. Bourne, editor of The Motor Cycle, informed members of the Union's Management Committee that he was afraid to publish all of the some 10,000 letters he had received from irate customers, since "publication would have a damping effect upon other readers' enthusiasm." This type of criticism was not at all exceptional and in 1939 the Union actually created a special committee to investigate a range of problems ranging from persistent oil leaks to faulty electric equipment.¹¹³

It is doubtful, therefore, whether or not the industry possessed either the facilities or the skilled management that would have enabled it to have expanded to the volume necessary to service a larger market. There were also those who noted

112. See 'The Final Inspection', The Motor Cycle and Cycle Trader, 7 February 1936, p.84 and "Performance in the Making", The Export Trader, May 1938, pp.192-193.

113. See memo entitled '46/36 Motor Cycles: Criticisms by Users', dated 18 March 1936 and contained in Guardbook MRC MSS 204/3/1/39, (this criticism was echoed by disgruntled retailer E.P. Huxham in a letter to the Motor Cycle and Cycle Trader of 1 April 1938, p.11) and memo entitled '99/39. Motor Cycle Sales Investigation Committee', dated 16 June 1939, contained in Guardbook MRC MSS 204/3/1/47. According to one technical journal, another problem was the poor quality of the materials used in motor cycle frames. These were "as a rule rather crudely designed structures in which strength and rigidity have been obtained by the use of heavy gauge tubing and clumsy malleable iron lugs." See 'The Motor Cycle Show', The Automobile Engineer, December 1938, pp.466-473.

that any company which made a serious effort to change production programmes would be faced with very significant re-tooling costs; as one industry expert observed:

the management is loth to make radical alternations in design, since such alternations are bound to involve expense in the purchase of new machinery and perhaps in the reorganisation of certain departments [so that] ... with few notable exceptions, the improvements during the last few years have been concerned chiefly with details like tank finish, tool case construction and showy details like instrument panels.¹¹⁴

Against these obstacles, the manufacturers did possess certain advantages. Should they wish to change their strategies, labour militancy was not an obstructing factor to any re-structuring of their factory practices. Although trade unions had been strong in some motor cycle firms before and after the Great War, they had been gravely weakened by the Depression. Thus, when Jack Sangster took over Triumph he immediately instituted a pay cut on a 'take it or leave it' basis which was met without resistance. Previously, Triumph workers had been among the most militant in the industry. In fact there is no record of labour unrest at all during the 1930s although there were disputes in certain of the component industries such as tyre manufacturing. If strikes were non-existent, it was true, however, that many of the manufacturers did experience shortages of skilled workers, as a result of the higher wages being paid in the aeronautics industry as the rearmament programme progressed.¹¹⁵

114. See 'Motor Cycle Progress: Past, Present and Future', by H.D. Teage, op cit.

115. A background to labour relations in the British motor cycle industry is contained in Steve Koerner, Trade Unionism and Collective Bargaining at two British Motor Cycle Factories: A Study of BSA/Small Heath and Triumph/Meriden, 1951-1973, (unpublished MA dissertation, University of

Another potential barrier to any overhaul of the industry's productive capacity was the availability of capital. Yet, BSA, AMC and Enfield Cycle all reported rising dividends at the end of the decade and the private companies were almost certainly profitable. For example, after years without dividends, BSA paid out 10 per cent on ordinary shares in 1938, while AMC's dividends jumped from 5 per cent to 10 per cent between 1937 and 1938.¹¹⁶ Much of the increased profitability was created by the rearmament programme that resulted in many lucrative military contracts, some of which involved motor cycles, although others were involved in component manufacturing for the aircraft and armaments industry.¹¹⁷ Moreover, during the late 1930s several manufacturers made a series of expenditures to enlarge their

Warwick, 1990). As far as strikes in related industries are concerned, a dispute over wages at John Bull Tyre company's Leicester factory, which supplied various motor cycle firms, was reported in July 1935. Some 400 employees were affected. See Cycle and Motor Cycle Trader, 5 July 1935, p.2. In contrast, there is no record of labour disputes in any motor cycle factory during this period contained in the trade press. For labour shortages, see untitled news feature about the labour supply situation, ibid, 29 January 1937, p.71.

116. Information about dividends come from Annual Reports of the companies concerned during the years in question.

117. The fact that BSA was benefiting from the rearmament drive, primarily from its small arms division and Daimler, was noted in the business press. The Statist, for example, reported that its turnover had increased due to military contracts. See issue of 19 June 1937, p.965. Profits gained by BSA from this source were also remarked upon by the Labour Research Department in its Dividends from Defence, (1939), p.17. Other industry firms picked up similar work as well. Enfield Cycles, for one, reported military contracts as did Matchless Motor Cycles. See Stock Exchange Gazette, 19 November 1938 and Directors' Report, Matchless Motor Cycle Company, 10th Annual General Meeting, 16 December 1938, copy on deposit at the Guildhall Library, London. By the end of 1938 Norton was so preoccupied with building motor cycles for the Armed Forces that it actually dropped out of its racing work, much to the dismay of many sports enthusiasts. See 'No Norton Racing Programme', Motor Cycle and Cycle Trader, 9 December 1938, p.199.

factories, although it is unclear how much this was related to motor cycle work as against unrelated rearmament contracts.¹¹⁸

For its part, the industry had no trouble identifying the root cause for the much diminished motor cycle market. Government legislation was fingered as the main culprit for discouraging potential consumers. But was there any truth to the complaint that the industry was over-taxed and regulated during the 1930s? Could the government, lacking hard evidence from the industry that relaxation of legislation and lowering of tax would increase sales, and under pressure from various quarters to retain the laws, have done anything else?

In fact, Neville Chamberlain, who was either Chancellor of the Exchequer or Prime Minister for most of the 1930s, had been Managing Director of BSA Cycles during the early 1920s and would surely have had some understanding (and perhaps sympathy) of the industry's problems. Yet the legislation remained fundamentally unchanged. Although the 1932 Budget did alter the tax structure, to favour sales of motor cycles under 150cc capacity, this was not sufficient to satisfy the industry, nor did it help significantly to generate demand for these lightweight machines.¹¹⁹

118. See, for example, 'Velocette factory transformations', 31 December 1937, p.256, 'Ariel works extensions', 7 January 1938, p.1 and 'Triumph extensions', 3 March 1939, p.247, all contained in *ibid*.

119. In fact the government had entertained the notion of further relaxing the regulations and taxes on the small motor cycles (under 100cc) but had decided not to proceed because the industry had failed to produce sufficiently strong arguments to explain why further concessions would increase their sales. Indeed, most of the industry's arguments seemed to be negative comparisons with the situation enjoyed by their continental counterparts. Thus, they would argue, if deregulation worked in France or Germany, it would perforce work in Britain. However, as a minute written by a Mr. Jones, dated 20 December 1938, put it, in the absence of more

Despite all the criticism of their production programmes, there were those in the industry who remained unconvinced that there was a market for anything other than what was already being produced. To substantiate their case, they merely needed to indicate the type of motor cycles that were moving off the showroom floors. After all, when the small motor cycles were offered up to the public, they were not purchased in any great numbers. On the other hand, the big 350cc to 500cc motor cycle models remained consistent best sellers.

However, had the companies done really all they could to expand their market? How much were they spending on advertising and where? The industry was particularly disappointed in their failure to convince women, among other non-traditional consumers, to buy its products. Yet this could only be done by reaching out to the kind of people who had never before considered buying a motor cycle, but might if they were pitched a convincing case. On the evidence available, it is not at all clear that the industry was prepared to take such steps to widen their market.

The fact is that neither the Union or the various firms increased their advertising budgets, which lagged far behind the motor car and even the bicycle industries, nor did they make an effort to place ads in magazines outside the enthusiast press that were read by the kind of potential

information from the Union, "We cannot offer an opinion on how far these regulations are an impediment to the use of the light-weight motor cycle in the United Kingdom." To which the Department's Comptroller-General had minuted, "I agree. We have nothing to work on." See minute from 'Jones' dated 5 December 1938 contained in PRO BT 59/24, sub-file 589, entitled "Department of Overseas Trade, discussions with UK Trade Organisations. No. 25, Motor Cycles."

consumers they hoped would buy their products.¹²⁰ [See Appendix 1, Table XI]. Nor, for that matter, did the industry continue to use the services of a publicity company hired in the late 1920s in order to counteract negative press coverage.¹²¹

Finally, although the industry did sponsor some limited technical research, via the Institution of Automobile Engineers, into the problems associated with large displacement motor cycles, this work had a very restricted scope. Aside from models produced by the smaller firms, very little was evidently ever done to examine how to best construct a cheap, low-powered motor cycle, which would have enabled the industry to have appealed to a new type of consumer. There certainly was money available to them at the time to have conducted such work. On this point, the critics were not adequately answered.¹²²

120. See memo entitled '112/38: Motor Cycle Propaganda', which reproduces a letter received from a dealer which commented upon the industry's failure to advertise in what is called the 'lay press'. The unnamed correspondent believed that if more motor cycles were to be sold it was important to advertise in the pages of the popular as opposed to enthusiast press as "the people I have in mind are not likely to read motor cycle publications." The memo is contained in Guardbook MRC MSS 204/3/1/45. A columnist in the Trader, who had recently attended the Motor Show, commented on how much better its presentation was in comparison to the Motor Cycle Show. He also criticised the motor cycle industry on the grounds that, unlike its motor car counterpart, it emphasised the sporting side of its products to the detriment of their utility function. See "Motor Show Musing" by 'F.J.' (Francis Jones), Motor Cycle and Cycle Trader, 22 October 1937, p.66.

121. See, for example, a report received from the company involved, Editorial Services Limited, summarising its activities during October 1929. It is attached to a memo from Major Watling to members of the Management Committee, dated 20 November 1929 and contained in Guardbook MRC MSS 204/3/1/22. The Union appears to have terminated its contract with this company between 1930 and 1931.

122. All the papers read before meetings of the Institute of Automobile Engineers concerned larger displacement motor

If considered a question of sound, although conservative, business practice, one must conclude that the industry had effectively dealt with the circumstances that confronted them during the 1930s. Their strategies seemed a fairly rational response to the huge drop in sales and the industry was able to hold on to a stable and traditional market and most important, continued to make money. It would appear that by 1939 the industry, helped in part by its restrictive trading rules as well as its incipient commercial agreement with the Germans, had created a nice cozy environment for itself which removed any real pressure, external or internal, for change.¹²³

It may never be known with any certainty whether or not there ever was a serious possibility of cultivating a large-scale motor cycle market in Britain during this time. The point is that the industry was simply not committed to discovering if one in fact existed. Instead, the most successful company of this period was looking abroad for the real growth in sales. In May 1939, Triumph Managing Director

cycles. See, for example, 'The Engine of the Side-car Motorcycle' by E. Caudwell, Proceedings of the Institution of Automobile Engineers, Vol. XII, 1918-1919., pp.345-391, 'The Light Car and the Motor Cycle Compared' by W. Halcot Hingston, ibid, Vol. XVII, 1921-1922, pp.23-59, 'The Super-Sports Motor Cycle', by John Wallace, ibid, Vol. XXIV, 1929-1930, pp.161-231 and 'Developments in Motor Cycle Design' by V. Page, ibid, Vol. XXXII, 1937-1938, pp.470-491. One study noted that the ill-fated Motor Cycle Research Association was "not successful in obtaining wide support from the industry." See H. Frank Heath and A.L. Heatherington, Industrial Research and Development in the UK. A Survey. London: Faber & Faber Ltd., 1946, p.13.

123. This section draws, in part, on the argument contained in S.M. Bowden, 'Demand and Supply Constraints in the Inter-War UK Car Industry: Did the Manufacturers get it Right?', Business History, April 1991, pp.241-267.

Edward Turner gave an interview in which he explained his firm's strategy for the near future:

We are not endeavouring to take a lion's share of the home market. Such a course obviously postulates undue internal competition which is possibly not for the good of the industry as a whole. We prefer to concentrate upon the best grade of machine with a view to extending our sales not only in this country but in every market in the world.¹²⁴

Turner's optimism about the sales potential of Triumph motor cycles may have been well placed but within a few weeks both he and the rest of the industry would have more pressing matters to think about.

124. See 'Building for world competition', The Export Trader, May 1939, p.216.

Chapter 2.

'The War Years, 1939-1945'.

Soon after the outbreak of war in September 1939 the motor cycle industry fell under government control for the coordination of war production. In this case the Board of Trade (Industrial Supplies Department) presided and as the war dragged on the degree of control would become tighter and tighter. One immediate effect of hostilities was the cancellation of the Motor Cycle Show scheduled for November as well as the imposition of petrol rationing. The so-called 'Licence to Acquire' placed severe restrictions on the private sales of motor cycles for all but urgent or essential use.¹

Like many other British industries, the motor cycle industry was 'concentrated'. What this meant was that the government became responsible for the transfer of "resources from peacetime to wartime purposes and of ensuring that the available manpower and productive capacity of the nation were fully used."² In the case of the motor cycle industry, some firms would continue manufacturing motor cycles while many of the smaller companies would be shunted off into general munitions work. However, the vast majority of the productive capacity of the industry was engaged in the manufacture of motor cycles.

1. Started up in 1942, the Licence to Acquire restricted the purchase of motor cycles (mainly machines with an engine capacity under 250cc) for 'essential' civilian use only. For a background of the Licence to Acquire, see document, prepared by the Secretary to the Interdepartmental Committee for the Post-War Resettlement of the Motor Industry, entitled 'Licences to Acquire Motor Cycles', dated 15 June 1945, contained in PRO WO 185/224.

2. See G.C. Allen "The Concentration of Production Policy" in D.N. Chester (ed) Lessons of the British War Economy, Cambridge: Cambridge University Press, 1951, p. 167. See also W.K. Hancock and M.M. Gowing, The British War Economy, London: HMSO, 1949. For a more recent history of Britain's industrial effort during the Second World War, see Alan Milward, War, Economy and Society, 1939-1945, London: Pelican Books, 1987.

Thus five of the 'Big Six' were set to work producing motor cycles for the British and Allied government, although Velocette (outside the 'Big Six') was allowed to manufacture both military (especially for the French Army) and civilian machines for export only. BSA, being far more than a motor cycle manufacturer with its diverse engineering interests, was also a prime contractor for the British (and Allied) governments, producing under licence, among other things, rifles (Lee-Enfields), light automatic weapons (the Sten gun) as well as aircraft machine guns (Browning) and cannons (Hispano-Suiza). Its motor car subsidiary Daimler built a line of armoured vehicles and aero engines for the RAF. The company's workforce ballooned from several thousand to nearly 28,000 employees spread out over a number of factories throughout the Midlands.³

This is not to suggest that other members of the 'Big Six' were restricted only to motor cycle work. Some branched out into other types of manufacture as the war wore on. Enfield Cycles, for example, went into precision instrument production and, at various times, Triumph also built tank tracks and small engines for aviation purposes.⁴

3. For a detailed account of BSA's contributions to the British war effort, see Donovan M. Ward, The Other Battle, (printed privately by BSA in 1946). Barry Ryerson's history of the firm, The Giants of Small Heath, contains a section on the war years although it is largely based upon Ward's account. References to BSA's activities are also included in David Thoms, War, Industry and Society, The Midlands 1939-1945. London: Routledge, 1989. Copies of the various contracts between BSA and government ministries such as Aircraft Production and Supply can be found in the BSA collection at the Solihull Public library, mainly within the series 127-262.

4. The war-time activities of Triumph Engineering is covered in Ivor Davies, op cit, pp.69-70. Information about Enfield Cycle's non-motor cycle manufacturing activities is contained in PRO AVIA 55/130.

Not all of the smaller motor cycle manufacturers were prevented from continuing their accustomed production, at least during the first two years of hostilities. Firms such as Cotton, Norman and Francis-Barnett were encouraged to build machines for the export trade and for an extremely limited home market. Union Director Major Watling even suggested, in light of the major firms' preoccupation with military work, that the minor companies consider producing larger (250cc capacity and up) machines for sale abroad.⁵

Indeed a form of volume exports did continue, at least up until 1942, with especial emphasis on the so-called 'hard currency' nations such as the USA, Canada and Argentina in favour of those within the 'Sterling Area'. Under overall government direction, Export Groups, which were staffed by industry personnel, were created to stress cooperation (to be brought about by coercion if necessary) within the industry and were given a wide ranging brief. Not only would they fix export prices to ensure competitiveness with the manufacturers, but also seek out raw materials and arrange for timber for packing and shipping. Export licenses were required which ensured that the motor cycles went only to the favoured currency areas. Moreover it was

5. See memo dated 24 July, 1940, entitled 'EG 24/40: Rationing of Materials: Motor Cycles' contained in Guardbook MRC MSS 204/3/1/49a. Major Watling thought it might be a good idea that the smaller companies might "co-operate with a view to keeping alive UK export trade in motor cycles in the face of American competition and with a view to ensuring the continuance of 'goodwill' in UK motor cycles so as to enable rapid development of motor cycle export trade after the war". See memo dated 28 December, 1940 and entitled 'Motor Cycle Exports: Suggested Standardisation', contained in Guardbook MRC MSS 204/3/1/50.

expected that 75 per cent of production should go abroad, otherwise the raw materials might not be forthcoming.⁶

However, from the very beginning, the top priority was equipping the British military. In the months after September 1939, during the so-called 'Phoney War', there was, in comparison to the activity that followed the Dunkirk evacuation, a fairly lackadaisical mobilisation. However, the level of motor cycle orders had still risen steeply after the Munich Agreement and reached 9,000 in 1939, a result of a decision to expand the Army from five to ten divisions. Pressure for more production grew after September as the Expeditionary Force was sent over to France to stem an expected German invasion.⁷

At that stage in the war, the General Staff saw motor cycles as providing a varied role on the battlefield. Not only would they be used for communications purposes, being the favoured means for

6. See memo entitled 'Bicycle and Motor Cycle Export Groups', dated 30 April, 1940 contained in Guardbook MRC MSS 204/3/1/49a. The Export Groups were charged with keeping statistics, upon which would be calculated the allocations of materials. In 1940 the industry had negotiated an agreement from the Board of Trade that allowed approximately 40 per cent of materials, which Watling thought reasonable since during 1938 the industry had exported between 20 per cent and 40 per cent of output. However, even in the spring of 1940 the industry was already concerned about the loss of the Baltic and Scandinavian markets (which had accounted for 10 per cent of exports in 1938). The loss was especially acute in terms of motor cycle engine exports. Some 70 per cent of the export total went to Sweden and Poland alone, along with 20 per cent of all other component parts. See memo dated 23 April, 1940 entitled 'Union Export Groups' contained in *ibid.*

7. For a critical account of the Chamberlain government's management of the war economy, see Paul Addison, The Road to 1945, London: Quartet Books, 1975, pp.63-70. According to the unpublished paper entitled "Historical Narrative: Wheeled Vehicle Motor Transport, 1935-1943" the numbers of motor cycles ordered by the War Office had grown from 483 in 1935, 1,176 in 1936, 2,170 in 1937, 2,015 in 1938 and then jumped dramatically to 9,447 in 1939. Apparently pre-war estimates foresaw a need for a total of 22,295 motor cycles. The paper is contained in PRO AVIA 46/192, see especially pp.20-22.

dispatch riders to travel from headquarters to front line troops and back, but would also shepherd truck convoys and, perhaps more controversially, take over the role once played by horse cavalry to reconnoitre ahead of the main body of the army.⁸

Accordingly, most of the motor cycles manufactured for the military were in the 350cc plus single cylinder capacity class. These machines were more or less the same as those produced before the war in the sense that they were essentially civilian models modified to meet military specification. Norton, for example, one of the major pre-war contractors, supplied its 16H model, a 500cc single cylinder side valve machine which was also available in a similar form to the public. These were mostly all designed as solo machines, although the Army also expressed an interest in motor cycle/sidecar combinations. To this end Norton developed a variation of the 16H which had a powered sidecar wheel.⁹

The other companies provided their own different versions of the 16H and, as the Army was to soon discover, this created a great deal of practical servicing difficulties. Not only did it

8. The subject of the use of motor cycles during the Second World War has been addressed by several authors. Among them are, David Ansell, Military Motorcycles, London: B.T. Batsford, 1985, Steven Shaker and Alan Wise, "Motorcycles" in National Defense, September 1984, pp.30-34, and Captain Robert Sigl, "The Military Motorcycle", in Armor, September-October 1982, pp.26-28.

9. According to the Manufacturers' Union records, in 1940 the War Office ordered 18,000 350cc machines, which were to be supplied by Enfield, Triumph and Matchless (AMC). Another 36,000 500cc machines were ordered, to be supplied by BSA and Norton. There was also to be a large order for the bigger motor cycles from the French government, which would also be supplemented by production from the Ariel and Velocette factories. See memo dated 12 January, 1940, entitled 'France; Purchase of Military Motor Cycles', contained in Guardbook, op cit. The Norton sidecar outfit did go into a limited production, however, this was halted after the introduction of the four wheel drive Jeep. See Derek Magrath, op cit, p.68.

have to purchase and stock parts in numerous and widely dispersed depots for the non-standardised motor cycles but it was also necessary to train maintenance staff in repairing a number of different types of machines.

The lightning German successes in France and the Low Countries during May and June 1940 seem to have caught the public's imagination and excited much speculation about the use of motor cycle troops by the Wehrmacht.¹⁰ Major Watling claimed that he had been told by returning members of the defeated BEF that the German motor cycle units had been "here, there and everywhere" causing disruption and disarray in Allied ranks. One British newspaper went so far as to state that the German armed forces contained a large body of motor cyclists which had been instrumental in breaking through the French armies and seizing the Channel ports.¹¹

When Major Watling met with a member of the General Staff shortly after the evacuation of British army at Dunkirk, he repeated the industry's familiar complaint that, in contrast to Britain, Germany had actively encouraged the use of motor cycles, both in and out of the military, during the previous decade. Now, he insisted, the full consequences of the effects of what the Union considered to be Britain's punitive tax and regulatory

10. Public perceptions of these motor cycle units seems to have been particularly enduring. For example, at the time of writing, the 'Blitzkrieg' display at the Imperial War Museum contains a large displacement motor cycle-sidecar combination which provides a general impression of what the public still believes is a representation of the German armed forces during that phase of the war.

11. See memo dated 24 June, 1940 entitled 'Motor Cycle Propaganda', contained in Guardbook MRC MSS 204/3/1/49a. The article referred to was evidently in a June issue of the Evening Standard. It is noted in a memo dated 7 July 1940, entitled 'Motor Cycle Regulation', contained in ibid.

provisions were finally being felt. The crushing defeat on the Continent was, in part, directly attributable to this pre-war neglect of the motor cycle industry.¹²

Soon after, Watling had a meeting with Sir John Reith, the Minister of Transport, and was able to repeat the industry's criticisms of government policy. In this case the problem was the poor level of training being given to the growing numbers of motor cycle operators, especially in the ARP (Air Raid Precautions) units and the Home Guard. This poor quality training created far more accidents than was necessary, although the blackout was responsible for a good share of them as well. He was also concerned about the below standard training of motor cycle repair units, which had created a high degree of attrition among the reserves of machines.¹³

After the Dunkirk evacuation, with a good portion of the Army's stocks of motor cycles (as well as much of its other equipment) left behind on the beaches, the industry worked flat out to re-

12. The details of the meeting are contained in 'Motor Cycle Propaganda', contained in ibid. There is little written about the use of two wheeled transport during the war, however, a description of the use of German motor cycle units in France is contained in Alistair Horne, To Lose a Battle - France 1940, London: Macmillan, 1969, pp.220-221 and Len Deighton, Blitzkrieg, London: Jonathon Cape, 1979, pp.169-170.

13. Because of the blackout, motor vehicle accident rates increased 100 per cent after only a few months after the outbreak of war. See Angus Calder, The People's War, London: Pimlico, 1992, p.63. See also memo entitled 'Motor Cycle Regulation', op cit. Watling also blamed the government's pre-war attitude towards the industry for this situation. It was, he claimed, the Road Traffic Act of 1930, which raised the minimum age for a motor cycle licence to 16 years and "whereas there was a greater discipline imposed from Order to Order upon motor cyclists - either by the 'Construction and Use Regulations' or by taxation." By contrast Germany and Italy had encouraged use of motor cycling. In Watling's words: "The responsibility, therefore, for our military disaster must to some extent be placed upon the shoulders of the authorities in Whitehall who had initiated and pursued a repressive policy against motor cycling." Watling's remarks are contained in ibid.

equip the military. In fact, it appears that production during 1940 reached what would be its highest peak for the rest of the war.¹⁴ This was also the year when the industry received its worst damage from enemy action. In mid-November the Luftwaffe launched a major raid against Coventry which devastated the centre of the city. One of the factories hit was Triumph Engineering, which happened to be located nearly adjacent to the gutted Coventry Cathedral. Although many of the machine tools and other equipment were later salvaged, virtually all stock along with the precious blueprints and business records went up in flames and the factory was left a pile of rubble.¹⁵

Triumph was able to restart very limited production at nearby Warwick until a new purpose built factory could be put up in Meriden, a village mid-way between Coventry and Birmingham. Although work on this factory began in mid-1941, Triumph's output was much reduced until 1943, when the Meriden plant was finally able to go into full production. Why Triumph received this factory when it had not been a military producer on the scale of either BSA, AMC or Norton before the war and ranked well behind them even after September 1939 is not well explained in either published and unpublished accounts. For whatever reason, the new

14. One study estimates that the British Expeditionary Force (BEF) left behind 700 tanks, 54,000 motor cars and trucks and 20,000 motor cycles. See M.M. Postan's British War Production, London: HMSO, 1952, p.117.

15. According to Bert Hopwood, who was a designer with the company at the time, by destroying the new military motor cycles that were in the factory, the Luftwaffe may have unintentionally done the British army a big favour. He thought it was a poor design and would have not lived up to expectations had it been deployed in the field. See Hopwood, op cit, p.39. The book also contains a detailed account of the factory bombing as well as its aftermath, at pp.39-42. Further descriptions of the Coventry Blitz can be found in the Home Office files at the PRO, particularly HO 199/442.

factory (albeit equipped largely with plant salvaged from the bombed out Coventry works) provided Triumph with a valuable asset and gave it, no doubt, a considerable advantage over the other firms in the post-war era.¹⁶

Only a few days after the Coventry Blitz the Luftwaffe hammered Birmingham with a series of heavy bombing raids. BSA's Small Heath factory was badly hit although the damage seems to have been largely restricted to the armaments section and did not directly affect the motor cycle assembly areas.¹⁷ However, the raids evidently had a shattering effect on worker morale. Indeed it was alleged in confidential Home Office correspondence that BSA management had seemingly taken few precautions against the raids.

After the raids it came to be widely believed that the workforce had been poorly provided for in terms of an early warning system, that the bomb shelters were insufficient and the damage was made worse by the failure of management to remove inflammatory materials from around the factory, which provided ready tinder for the German incendiaries. Many in Birmingham believed for long afterwards that the casualties suffered were much worse than were publicly admitted. Consequently, it was

16. According to one company history, owner Jack Sangster wanted initially to rebuild on the original factory site on Priory st., Coventry. The War Damage Commission apparently thought otherwise, deciding that Coventry centre was too vulnerable to any future bombing attacks and required the company to relocate to Meriden. See Louis and Currie, op cit, pp.27-28. Surviving records from the Ministry of Supply do raise some interesting but unresolved points about the decision making process that surrounded the construction of the Meriden factory. See, in particular, the minutes of a meeting of the Ministry's Executive Committee held on 21 November 1941, which are contained in PRO AVIA 22/2491. Further correspondence about Triumph's war damage claim is also contained in PRO AVIA 15/1041.

17. Details of the Small Heath bombing are found in Thoms, Op Cit, pp.112-113.

difficult to convince some workers to attend the factory, never mind work normal shifts, and production was badly disrupted for some time after the November raids.¹⁸

The other major manufacturers do not seem to have suffered to the same degree from bombing, although the Velocette factory in Birmingham was hit but without major damage. Even AMC, located as it was in the Woolwich area of south-east London, apparently continued to produce straight through the 1940 and 1941 bombings. Nor was it stopped by the V1 'Flying Bomb' and V2 rocket attacks in 1944 and 1945. Smaller manufacturers such as Francis-Barnett and Coventry Eagle were also bombed out of their Coventry factories. The James works in Birmingham was badly damaged as well by enemy action. The Union headquarters building, being sited near the Coventry rail station, was destroyed in during the November 1940 raids. Its operations were subsequently relocated for the duration of the war to Kenilworth, a small town several miles away.¹⁹

18. Evidently, BSA Chairman Docker criticised the Small Heath workforce for leaving their jobs without permission although it is unclear whether or not he had stayed in the factory during the bombing or had removed himself somewhere safer. According to a confidential Home Office report, the disorder at the BSA works brought it to a "complete standstill" and workers who had come in to collect wages "took over and controlled the entrance of the factory." Management called their attitude "both ugly and menacing." See undated report contained in PRO HO 192/1178. Another confidential report expressed the opinion that BSA management had been less than thorough about its air raid preparations because the company felt itself hard done by for the poor armaments contracts it received during the 1930s. The report repeats accounts of workers, especially on the night shift, refusing to enter the factory and commence work. Report dated November 1940 is contained in PRO HO 192/1232.

19. See untitled feature about the industry during the war contained in the Export Trader, April 1946, pp.278-280 and the Manufacturers' Union 1941 Annual Report, p.4., contained in MRC MSS 204/4/3/2.

Despite the growing intensity of the overall British war effort, motor cycle production did not actually grow much beyond the 1939/1940 levels and, even though annual output was greater than anything achieved during the 1930s, it still fell far short of the 1929 peak. Several factors underlay this failure to expand to full potential. First, because of the drastic contraction of the domestic and export markets during the early 1930s, the six major manufacturers did not necessarily share the same productive capacity that the industry possessed in 1929. Certainly the total number of producers had dropped. Although the industry was servicing a far smaller market than before, it is arguable that their factories may have become more efficient. Norton, for example, as noted in the previous chapter, had refused to convert to an assembly line track system since it believed this would compromise its craftsmanship and product quality standards. By 1939, however, under pressure from increased military contracts, it hired an engineer from BSA and made a number of improvements to its factory procedures, including the installation of an assembly track.²⁰

Moreover, there had been drastic contraction of the Home market, understandable under the circumstances of total war. Motor cycle registrations dropped from over 400,000 in 1939 to just over 100,000 by 1943, thanks no doubt to severe petrol

20. See Jim Reynolds, op cit, p.52. According to a press report in late 1938, Norton may have had all the military orders it could have wished but "all this has thrown a considerable strain upon the production facilities of the factory, excellent as they are." The company had placed many of its workforce on regular overtime and had added a night shift so as to keep up with the contracts. See 'No Norton Racing Programme', Motor Cycle and Cycle Trader, 9 December 1938, p.199.

rationing, the 'Licence to Acquire', as well as contracting supplies of materials, among other things.²¹

Second, by July 1941 the British army had, on the basis of recent battlefield experience, decided to scale down the use of motor cycles from its earlier projections. Evidently this question, or so a senior officer informed Major Watling, had been carefully considered by the General Staff including Chief of Staff Alanbrooke, and the unanimous view was that "the motor cycle could only usefully be employed for communications - not for offensive use." Moreover, even the Germans, hitherto enthusiastic proponents of the aggressive use of motor cycles, had been reducing their deployment as well. This was probably a result of high losses suffered by motor cycle troops over the past campaigns and no doubt many in the German High Command were concerned about their applicability on the vast and inhospitable Russian front. Thereafter, like the British and other Allied forces, German motor cycles would be mostly used for dispatch purposes and truck convoy duties.²²

21. See Calder, op cit, pp.64 and 318. The shortages badly effected the anticipated supplies of motor cycles earmarked for domestic use. In December 1940 Watling had to inform Union members that, although there had been plans to produce 15,000 machines for the Home market and 10,000 for export, these totals would have to be reduced. See memo dated 21 December 1940, entitled 'Notes of Interview: Bicycle & Motor Cycle War Export Groups: Statistics and Estimates', contained in Guardbook MRC MSS 204/3/1/50.

22. See 'Notes of Interview', prepared by Major Watling and dated 31 July 1941, being a conference with Major-General Hawksworth, Director of Military Training, War Office (Horse Guards). Hawksworth noted that the big problem with the motor cycle, either solo or with a sidecar, was that by its very nature it "must always be vulnerable." Watling had trouble disputing this point and was forced to concede to the Union Management Committee that "I must admit that to a certain extent I appreciate and accept their arguments." The memo is contained in the Guardbook MRC MSS 204/3/1/51. No doubt another cause for a reduced use of military motor cycles were improved wireless communications which undercut the need for dispatch riders.

Finally, and most important, the military motor cycle simply could not compete either in terms of safety for its operators or for general versatility with light armoured vehicles like the Bren Gun carrier and, after America's entry in the war in December 1941, with the four wheeled drive 'Jeep', a machine which could fill many of the roles that had been customarily performed by motor cycles. Hence, as far as the General Staff was concerned, there was not the need to order motor cycles in the quantities that some thought would be necessary at the beginning of the war. In some ways, the situation was analogous with the problem that the industry faced in the late 1920s and early 1930s when cheap motor cars had begun to undercut the economy appeal of the motor cycle with the middle and parts of the working-classes. Again, the industry could not seem to come up with an adequate response, although under these circumstances, there may not have been one to employ.²³

In the meantime, efforts to continue to supply the export trade began to flag under the pressures of war.²⁴ One notable problem was the fact that the reputation of British via-a-vis German motor cycles had suffered during the pre-war years. In early 1940, for example, when the British attempted to increase sales of motor cycles to the then neutral Dutch market, they discovered

23. See ibid. Hawksworth explicitly noted the advantages of the Bren carrier in comparison to the motor cycle. In Germany, motor cycles increasingly were replaced with four wheeled vehicles such as Volkswagen's 'Kübelwagen', although far fewer numbers of them were supplied to the Wehrmacht than Jeeps to the Allies - never mind the numbers of horses used by the Germans. See Robin Fry The VW Beetle, London: David & Charles, 1980, pp.83-89.

24. In fact, by 1942 the manufacturers, even if they could get hold of sufficient materials, were forbidden by the Ministry of Supply from exporting machines of larger than 250cc capacity. Overall it was noted that "the output of motor cycles has been severely limited." See Manufacturers' Union Annual Report for 1942, p.2 contained in MRC MSS 204/4/3/2.

that the Germans had become very difficult to dislodge. The British Consul-General in Rotterdam wrote a report which noted that, thanks to pre-war neglect on the part of British manufacturers, the Germans had moved in and had achieved "practically a monopoly" of the local motor cycle trade. Not only were the German models "more convenient" for users, but because of an export discount of 20 per cent, spare parts were cheaper, and delivery was faster, while, most important, "the quality of their materials is A.1."²⁵

The report was highly critical of the record of British manufacturers in Holland. Their machines were "old fashioned compared to the German product," a result of "the conservatism of British manufacturers who have ignored German competition for years and are now beaten by it in the Dutch market." Moreover, unfavourable comparisons were also drawn by retailers about the superior level of service received from German manufacturers in comparison to the British. Indeed, it seemed "the British manufacturers have no interest in their agent so long as he pays up (mostly in advance)". Little wonder British motor cycle companies had trouble making progress in this important market before 1939.²⁶

Nonetheless, elsewhere, especially in distant overseas markets, the German presence had begun to fade away. This was mostly the result of demands from their own military combined with an

25. See Memo from Watling to all members of the Motor Cycle Manufacturers' Section, dated 19 April 1940 and entitled '69/40: Holland: Development of British Trade' contained Guardbook MRC MSS 204/3/1/49a. In August 1938 the Motor Cycle and Cycle Trader noted that the Germans had captured the Dutch market from the British manufacturers although no explanations were provided. See "Holland's Imports, Germany Controls the Dutch Motor cycle Trade", 26 August 1938, p.146.

26. See memo '69/40', Ibid.

effective Allied blockade of German ports, although overland routes to the east remained open for some time. As for the industry's military production, there is no indication that British motor cycle companies had any difficulty supplying the Armed Forces with a sufficient supply of machines. Indeed, unlike other sections of industry which produced four wheeled and tracked transportation for the military, the motor cycle manufacturers were not only able to meet all British requirements but supply the Canadian army as well.²⁷

However, the profusion of different models provided by the five producers, all with mostly incompatible spares, continued to drive service quartermasters to distraction. By way of a letter from the Ministry of Supply, several firms were informed that the War Office "has expressed very strongly the view that the numbers of solo motor cycles at present in service use is excessive and that one design should be adopted as soon as is practicable." By early 1944 matters had reached the point where a meeting between the Ministry of Supply and the leading executives of the industry was called in order to discuss the matter.²⁸

The Ministry's position was quite clear: the military was fed up with trying to maintain all the different types of motor cycles used by its various branches and wanted the industry to

27. Apparently in the spring of 1944, under circumstances the Union's Management Committee termed "very obscure" although hardly unwelcome to them, the Canadian Army decided to switch its preference in motor cycles from Harley-Davidson to Norton. See memo dated 22 April 1944 entitled 'S.M. Disposals: Harley-Davidson Motor Cycles', contained in Guardbook MRC MSS 204/3/1/55. The information about the self-sufficiency of British motor cycle supply in relation to that of other forms of wheeled transport is from "Historical Narrative: Wheeled Vehicle Motor Transport", Op Cit, p.82.

28. See letter from Brigadier K. Hedges to AMC, BSA, Norton and Triumph, dated 18 January 1944, contained in PRO WO 185/124, file entitled "Standardised Motor Cycle Design."

develop a single standardised model.²⁹ For their part, the industry representatives objected, since such a design would require at least two years to develop, never mind the trouble of trying to find the necessary special jigs and tools for the extra work under difficult wartime conditions. Worst of all, the manufacturers complained that, ultimately, as far as they were concerned, a standardised model built specifically for the military would be "useless in other directions" with no direct commercial applicability. Norton Managing Director Gilbert Smith wanted the government to drop its plans and instead allow the motor cycle industry "to use the very limited design capacity left to [it] to perfect their post-war attacks on Home and overseas markets."³⁰

In order to break the impasse, Jack Sangster proposed a compromise. Companies would use an existing model that all the manufactures were already familiar with and then make all the necessary modifications. However the Ministry replied that, as far as it was concerned, there was no suitable existing design and the manufacturers were pointedly reminded that "in relation to post-war problems and development of export trade, the motor cycle industry was in a far better position than certain other industries." The government had been no more demanding than it

29. As one War Office representative wrote: "The reasons for the existing unsatisfactory state of affairs whereby the Army is equipped with multifarious makes and types of vehicles resulting in the consequential spares and maintenance problems are so well known that they need not be ventilated in this paper." See document entitled "Organisation and weapons policy Committee - post war design of vehicles other than armoured fighting vehicles", dated January 1945, contained in PRO WO 185/96, "Policy in connection with post-war standardised military vehicles."

30. See minutes of meeting held between the Ministry of Supply and the motor cycle industry, dated 10 March 1944, contained in PRO WO 185/124.

had with the motor car industry, which was also heavily committed to aircraft production. The required labour and materials would be made available, it was now up to the motor cycle manufacturers to get on with the job and have a prototype ready by 1946. If not, members of the Ministry warned, the industry would be forced to come up with a suitable design.³¹

In the meantime, as early as 1941, under prodding from the Board of Trade, the industry had begun to consider the question of post-war planning. This planning had three aspects. First, the industry would list the requirements needed from the government in order to facilitate speedy re-conversion from war time to peace time production. Second, it would describe what measures it intended to take to re-open export markets and, finally, manufacturers would undertake a programme to develop new motor cycle designs.³²

In the meantime, as far as production was concerned, the Government set a target of 50,000 motor cycles for 1942. A commitment of sufficient labour as well as extra machine tools to be imported from the United States was made, although this was not always fulfilled. The position of the various manufacturers varied: Ariel, for example, was "entirely controlled by the

31. See memo dated 13 March 1944 and entitled 'W.D. Motor Cycles: Design' contained in Guardbook MRC MSS 204/3/1/54. Evidently the industry's reluctance to put their minds to the task of meeting war time requirements caused a great deal of frustration at the Ministry of Supply. In a letter to an official at the War Office, Brigadier Hedges noted that the motor cycle manufacturers "as a whole are showing considerable resistance to the idea of producing a new standardised W.D. motor cycle." He thought that it might become necessary for the Ministry to "invoke the use of its legal powers if their attitude did not improve." See Hedges to Major-General Murison, [no date but most certainly during 1943-1944] contained in PRO WO 185/124.

32. See minutes of a meeting at the Ministry of Supply (TT2), 4 September 1941, contained in Guardbook MRC MSS 204/3/1/41.

labour position." There were also worries about shortages of necessary machine tools, despite earlier assurances to the contrary. BSA said it needed more, but admitted that even if they were provided it might not be able to find sufficient operators because of shortages of skilled workers.³³ Watling stressed that the industry's situation was complicated by the fact that it was structured horizontally not vertically. This meant that there would likely be potential bottle-necks caused by a dependency on specialist component makers, a statement that implies that, had it been otherwise, overall production would have been higher.³⁴

Among all these problems, one hopeful sign for the future was the growing potential of the export trade in the coming post-war years. Now that the Allied blockage had cut off the Germans and Italians from their overseas markets, unprecedented opportunity awaited British manufacturers. In Mexico, for example, after 1939, the removal of German competition left the field wide open. Although during the 1920s and early 1930s this market had been dominated by the American producers, the Germans had broken through to a whole new range of customers with their light-weight machines, such as the 175cc single cylinder 'Wanderers' and

33. At Norton, for example, matters were chronic, with machine tools there reported to be idle "for want of labour." Major Watling was very critical of the way the government had allocated this equipment. The Ministry of Aircraft Production (MAP) he charged, "had the first choice and [he] had evidence that they were extravagant in their use." Watling insisted that it was up to the Ministry of Supply to ensure that sufficient amounts of machine tools were earmarked for the motor cycle industry if it were to keep to its assigned production targets. See ibid.

34. Ministry of Supply representatives at the meeting suggested that the labour situation might be eased through dispersal to places like Lancashire. In the event, however, the crisis eased and there was no necessity to relocate motor cycle production. See ibid.

'Maicos', which were especially popular in urban areas. Britain could inherit this market, if only it could match the nature, quality and price of the machines the Germans had sold there.³⁵

Indications were also favourable for future expansion in the USA. German products had not been popular there previously, since American tastes tended to run towards the large displacement Harley-Davidsons and Indians. Market investigations conducted by the Department of Overseas Trade in the state of California and cities of New Orleans and Philadelphia, which had been forwarded to the Manufacturers' Union, suggested that there might be a demand for British built machines once civilian production resumed. They were warned, however, that expanding sales would not be an easy task. In northern California, for example, demand was thought weak, "principally because a good second hand car is cheaper than a new imported motor cycle." This news had little evident effect on Triumph's Managing Director, Edward Turner. In the midst of war, he was busily cultivating his pre-war contacts in Los Angeles with an eye to a build up of exports when the time was right.³⁶

35. See memo dated 31 December 1943 and entitled '26/43: Mexico: Development of Post-War Trade.' In another two memos, one dated 27 August 1940, entitled 'E.G. 48/40. Development of Overseas Trade: Market Reports' and another dated 16 September 1940 entitled 'Development of Overseas Trade: Market Reports Central and South America', the Union provided members of the War Export Group a survey of promising sales prospects. Many of them had previously been taken over by German manufacturers but were now open to the British again. All memos contained in Guardbook MSS MRC 204/3/1/54.

36. The Department of Overseas market survey is contained in a memo dated 23 August 1940, entitled 'E.G. 40/40. Development of Overseas Trade: Market Reports: USA', contained in Guardbook MRC MSS 204/3/1/50. Copies of correspondence between Edward Turner and Triumph's Los Angeles distributor Bill Johnson are reproduced in chapter eight of Ivor Davies' Triumph - The Complete Story, Swindon: The Crowood Press, 1991.

Yet this good news was tempered with caution. Shortly after the American entry into the war in December 1941, British industry generally was warned about the implications of a changed export environment in the post-war era. During a speech to a conference of Export Groups in late January 1942, the President of the Board of Trade informed them that in future there would be far closer economic collaboration between Britain and the USA which might result in a "possible division of export markets."³⁷

The implications of this development, in the view of the Board of Trade, was that there would have to be a greater level of "cooperation and understanding" among the manufacturers themselves if they wished to increase exports. They would now have to accept that the "general tendency of export business in the future would be on a collective basis instead of [an] individual basis."³⁸ Later on, Watling drew the obvious conclusions with respect to the future of the Manufacturers' Union and why it was so important to have a membership embracing the entire industry: "All that has been said and written of post-war organisation of Trade makes it extremely probable that the Government will expect Industry to negotiate on all matters affecting marketing, sales, propaganda, production and export on a collective basis." Furthermore, manufacturers could expect to have materials allocated by the government through the trade organisations.³⁹

37. See memo dated 30 January 1942 entitled 'Export Policy' (being a report on a conference of export groups the day before), contained in Guardbook MSS MRC 204/3/1/52.

38. Ibid.

39. See letter from Watling to the members of the Motor Cycle and Bicycle export groups, dated 27 March 1942 and entitled 'Union Membership' and contained in Guardbook op cit.

The motor cycle industry was also warned that the British Imperial Preference system might have to be abandoned. Certain Dominions, Australia especially, had already indicated their intention to start up secondary industries which would compete with British imports. This might also have implications with respect to the kind of exports Britain could send abroad. Perhaps it might be best for British manufacturers to concentrate on producing "high grade products" and leave the "cheaper products" to be made in the "markets in which there was comparatively cheap labour."⁴⁰

These changes were being brought about largely because of increased dependency on American imports shipped in under the Lend-Lease Agreement. Although this agreement was essential to the continuation of the British war effort, Roosevelt's Lend-Lease Administrator E. Stetinius was putting heavy pressure upon the Board of Trade to curtail what little export trade remained between Britain and other nations. After the war it was feared these restrictions might well carry on. The Americans had also raised the question of creating a form of joint planning and the allocation of markets between themselves and the British.⁴¹

40. See memo entitled 'Export Policy', contained in ibid.

41. See memo dated 12 April 1943 entitled 'Export Trade and Lend Lease Agreement', contained in Guardbook MRC MSS 204/3/1/53. Sir Samuel Beale, Chairman of the Industrial and Export Council advised delegates at the meeting of the delicate political situation in the USA at that time. In particular, he warned them about "the position of President Roosevelt vis a vis the US Industrialists - the hostility of the Republican Party to British Industrialists and to the British Empire generally." Subsequently, Watling told Union members that he personally wanted to see greater assertiveness from the British government with the Americans, but the facts of the matter were such that "we must always bear in mind that at the present time we were bound to the US for at least 2 1/2 days' food per week and that fact alone - ignoring any question of supplies of munitions and material - must ever be present in our mind in existing circumstances." See ibid.

In early 1942, the Board of Trade canvassed the industry to determine what the problems it thought might impede a speedy conversion to civilian production. Considering the wartime conditions, the industry's response was quite optimistic. In contrast to the bicycle industry, which was only 25 per cent engaged in its normal production, the Board was informed that 75 per cent of the motor cycle industry was devoted to more or less regular manufacture, albeit nearly all destined for military use. Production was by then limited to seven firms and the civilian and export trades had severely dropped. Still, once the hostilities ended, the Board was advised, full peacetime production could be reached in only "a few months", so long as enough raw materials, specifically steel, aluminium, alloys and brass, were made available.⁴²

In answer to a specific question about improving its complement of research and design staffs, the industry could only reply that there were "enquiries to be made." In terms of new models in the works, the Ministry was informed that at least one firm was thinking about producing a light-weight two stroke machine, with an engine capacity of between 100 to 125cc, and there was also the possibility of a four stroke 175cc model.⁴³ Although the industry anticipated a strong demand abroad for British motor cycles, (in fact, it was believed demand would be well in excess of supply), it did expect some sort of help from the government. The time would soon come, argued the manufacturers, for the government "to modify their attitude towards the industry and give real encouragement to production and research in technical

42. See memo dated 25 September 1942 entitled 'Post-War Export Trade', contained in Guardbook MRC MSS 204/3/1/43.

43. Ibid.

problems and design rather than confine their contacts to the introduction of restrictive measures." No explanation was provided, at this time at least, about what was meant by "real encouragement."⁴⁴

The industry attached some importance to the Imperial Preferential Tariff system, although it carefully noted that commercial relations with the Germans, previously the industry's biggest competitors, had become "definitely friendly" just prior to the outbreak of war. The favourable trade agreements extended beyond the boundaries of the Empire. For example, the one negotiated with Argentina just before the war had been "of very definite advantages to the industry" especially when there had been fierce competition with the Germans.⁴⁵

During this period there was also some discussion among industry personnel about what could be done in order to best prepare for the peace. At least one senior industry leader, Triumph Managing Director Edward Turner, publicly reflected on the opportunities that would be open to motor cycle manufacturers after the war and urged the industry to appeal to a broader market than it had previously. In a paper delivered to several chapter meetings of the Institution of Automobile Engineers, Turner expressed the belief that the motor cycle industry, so badly hit by the decline in Home and export markets during the 1930s, could now bounce back if only the right kind of motor cycle was produced.⁴⁶

44. Ibid.

45. See Ibid. Presumably the "definitely friendly" relations were an allusion to the Dusseldorf agreement (March 1939) described in the previous chapter.

46. See "Post-War Motor Cycle Development", by Edward Turner, contained in the Proceedings of the Institution of Automobile Engineers, 1942-1943, Vol. XXXVII, pp.135-154. A verbatim record

Turner's remarks, all the more telling coming as they did from the Managing Director of a firm whose market share had actually increased in the three years preceding the outbreak of war, repeated many of the criticisms that had been levelled at the industry since 1929. Motor cycle design, he admitted, had been uninspired and far too oriented to the racetrack. The industry had been, Turner claimed, "almost entirely supported by the sporting elements and consequently restricted in its appeal." Turner did not advocate forsaking sporting events completely nor abandoning the sports enthusiasts; after all, he conceded, races like the Isle of Man TT had a role in stimulating design at the top end of the market. What he had in mind, however, was a motor cycle that "will attract, by its utility, the ordinary pedestrian."⁴⁷

The problem was, as became apparent in the remainder of the paper, that Turner was unclear exactly what he meant by the term 'economy' motor cycle. Like other critics, Turner stressed the need for quiet running, easy starting and handling and some form of in-built weather protection in order to appeal to potential but less dedicated motor cyclists. However, he was reluctant to commit himself to specifying just what kind of machine the ideal motor cycle would be. Although Turner saw virtue through incorporating these features in motor cycles of all capacities, he did not actually promote, as was done during the 1930s, trying to develop a mass market by way of the 'auto-cycle' or very low

of the discussions held at meetings in London, Coventry, and Luton as well as written comments were included in the same issue at pp.313-352.

47. Ibid, p.137.

engine displacement class motor cycles along the lines of what had been done so successfully in Germany before the war.⁴⁸

Turner's article precipitated a debate, albeit a brief one, within the industry about why it had been unable to produce a successful 'economy' motor cycle and what the future direction should be. Donald Heather, then an AMC Director, dismissed any hope of producing a 'utility' motor cycle. Many different versions had been tried, he reminded those present at the London chapter discussion, but they had all failed: "... the fact remains that we have always come back to the sports type, not because the industry has not shown an interest in the utility machine or has not attempted to make it, but because the sports market is, in fact the dominant market."⁴⁹

Turner replied that it was about time the industry faced facts. Look at the basic statistics, he urged. Registrations and production had declined consistently since 1930: "That would rather indicate that a lot of people were not too satisfied with the service they were getting from their machines, and that they were going in for cars (as the great majority of them did) or preferred to ride bicycles." Over the years the motor cycle had slipped badly when compared to other forms of transport and the decline had to be arrested: "We should not be satisfied merely to carry on the industry as it is, but should try to develop it and make more people motor cycle minded."⁵⁰

Others present at the meetings found further defects in the record of the 'utility' motor cycle. Bertram Marians, Managing Director of Phelon and Moore (manufacturers of Panther motor

48. Ibid.

49. Ibid., p.317.

50. Ibid., p.327.

cycles), criticised the poor advertising of the industry in comparison with its motor car counterpart. Another participant blamed "... the innate conservatism" of the British public which had failed to buy "several advanced designs." However, Turner himself conceded that not enough effort had gone into producing good quality products: "We have lost literally thousands of customers through the years because of the utility machine falling to pieces, sometimes before the owner paid for it."⁵¹

Did any of the companies take up Turner's suggestions and try and develop an improved motor cycle design? As before 1939, BSA was preparing the most extensive model line-up, which would be offered in two phases after the war. The first would be a number of essentially pre-war vintage designs, a 250cc, 350cc and 500cc models as well as re-conditioned military machines. The second range was to be far more comprehensive, covering a 98cc auto-cycle (badged as 'New Hudson') plus models in the 250cc, 350cc and 500cc capacity. BSA was also studying a Harley-Davidson with the intent of producing a 800cc twin cylinder model and considering manufacturing 250cc and 500cc shaft drive machines, one of which was based on a captured German model.⁵²

Other firms were working on new designs of their own, none of which dramatically differed from their pre-war offerings. Douglas, for example, capitalising on its work during the war producing aircraft components, was readying a 350cc transverse 'flat' twin cylinder that was unlike anything else in Britain at the time although was not marketed until 1947. AMC was the first

51. Ibid. pp.332, p.336 and p.348.

52. See volume containing material entitled 'Research and Design Committee Minutes-Motor Cycle Section', particularly the meeting of 29 September 1944, contained in MSS 19C.

British manufacturer to incorporate hydraulic front forks (until then virtually all the manufacturers used the so-called 'girder' forks which were thought inferior) based on those used on certain pre-war German motor cycles. However, the company also decided to drop its 250cc and the large capacity twin cylinder models and concentrate on the 350cc and 500cc cylinder machines. Norton's prospective 1945 line-up comprised only two models, both dating from 1939. A large displacement twin cylinder machine, designed to match the Triumph 'Speed Twin', was also under consideration.⁵³

And what did Edward Turner's Triumph company have planned? Ironically, although its motor cycles were as technologically advanced as any in Britain, they were virtually all directed at performance oriented customers. In 1945 the smallest projected machine was a 350cc model and three variants of the 500cc twin cylinder machines were planned. They may have met, in part, the criteria Turner had earlier defined for rider satisfaction but they were 'utility' or 'economy' machines in only the very broadest possible sense.⁵⁴

The Manufacturers' Union was very interested in taking advantage of the suspension of peace-time trading to re-organise the Home market. In 1943, the Union and the Motor Cycle Section of the Motor Agents Association (MAA) formed a special Joint Committee, composed of equal representation by manufacturers and retailers, in order to begin making arrangements for trading in

53. See the section on Douglas motor cycles contained in Wilson's op cit, vol 2, pp.179-180, Peter Hartley, Matchless pp.132 and 137, Magrath, op cit, p.69 and Reynolds, op cit, p.60.
 54. See Roy Bacon's British Motor Cycles of the 1940s and 1950s, London: Osprey Publishers, 1989, p.117.

Britain once the war ended. There were a number of items which both parties wanted reviewed.⁵⁵

For their part, the retailers were unhappy about what they believed was a surplus of dealers around the country that had built up during the 1930s. There were, they maintained, "too many dealers in relation to the number of machines sold." This was caused by the manufacturers having sold some of their machines to 'dabblers', dealers who were not really committed to the trade. They wanted the rules tightened up with respect to what kind of shops could sell motor cycles. Another point of concern was control of the prices of second hand machines and of the allowances given on vehicles traded in on exchange. This was considered to be "essential".⁵⁶

As for the manufacturers, they wanted an overhaul of the rebate system they administered, although there was some division on this point. They were also adamant on maintaining their right to appoint their own dealers, 'dabblers' or not. Another point the manufacturers wished to promote was a standardised discount, based on a two-tiered dealership system, to apply across the trade and cover all types of motor cycle. This, they believed, would "provide the best incentive for the trade to sell more motor cycles."⁵⁷ Both parties were especially concerned about

55. The minutes of the Joint Committee have been preserved by the Motor Cycle Retailers' Association in their London headquarters. The file is marked 'The Motor Cycle Advisory Committee, 4815'. The writer wishes to thank the Association for providing access to this material. A number of years later, member Donald Heather would recall the purpose of the Committee was "to plan post-war conditions of trading, to avoid chaotic trading conditions and to build a prosperous retail side of the industry." See *ibid*, meeting of 24 July 24 1957.

56. See *ibid*, particularly the meetings of 17 September and 11 November 1943.

57. Both AMC's Donald Heather and Jack Sangster were in favour of a flat discount rate; to have it otherwise "would be

dealing with the issue of high insurance premiums. The retailers considered this issue to have been "unquestionably ... one of the greatest sales deterrents in the past." It was agreed to have the Committee investigate the feasibility of having an industry wide insurance plan implemented, which would have the backing of the Manufacturers' Union. Several alternatives were reviewed though no decision was made before the end of the war.⁵⁸

Over the winter of 1943/1944, with the war clearly going in favour of the Allies, the industry and government entered into a more intense phase of post-war planning. In a memorandum dated 9 May 1944, intended as a response to a Board of Trade questionnaire distributed in the previous year, the Manufacturers' Union provided a comprehensive overview of both its current problems and expectations for the future.⁵⁹

This was not as optimistic an appraisal as their earlier memorandum. Worries were now expressed that, although a minority (approximately 30 per cent) of the manufacturers thought that the transition from war to peace-time production would be comparatively painless (assuming, of course, sufficient supplies of labour and materials), this was not the case for the remainder. They would face a difficult task, "owing to the practical restrictions upon design and development since the

undesirable as it would inevitably lead to abuses, to price-cutting and the like." The retailers favoured a rate of between 20-25 per cent, provided that there was adequate price control." They were, however, "emphatically" opposed to the rebate system (in that they had the sympathy of most manufacturers). The manufacturers were also insistent on their right to have what they called 'casual traders' being dealers most in rural areas who might also carry other lines of goods unrelated to motor cycles. See meetings of 9 December 1943 and 9 March 1944, op cit.

58. See committee meeting of 27 January 1944, ibid.

59. A copy of the memorandum, entitled 'Problems of Post-War Reconstruction and Development', is contained in PRO BT 60/81/6.

outbreak of war." This would mean that the industry would be looking to the government for help in terms of the release of technicians and other specialist personnel, provision of research equipment as well as new plant and training for other labour. The manufacturers were also very anxious about the "excessive wear and tear" inflicted on their factory and plant and hoped for government relief.⁶⁰

What sort of specific proposals did the industry put to the Board of Trade in order to enable it to "overcome existing difficulties"? Top of the list was a request to modify the Essential Works Orders (EWO) to give the firms "a greater control over labour" (they did not explain how this was to be accomplished) which "might eliminate difficulties with respect to shortages or excess of personnel to the advantage of both employer and employed." The early return of the skilled labour, displaced during the course of the war effort, was deemed essential if the manufacturers were to provide "a higher standard of performance and economy and easier maintenance."⁶¹

Suggestions were also made regarding re-employment of returning soldiers and 'directed' labour, as well as the importance of what was termed 'key' personnel. On the 'supply side', the industry wanted existing tool room plant put at their disposal as soon as possible at the conclusion of military contracts, and the provision of "cheap money" to allow for needed capital expenditure. They also hoped to be allowed to buy surplus government plant "at prices equitable to the purchasing

60. It was estimated that up to 50 per cent of machine tools, especially the high speed automatic machines, currently deployed in the motor cycle industry would need an overhaul. Ibid.

61. Ibid.

manufacturer" as well as "further concessions" with respect to income tax allowances for depreciation of plant and machinery.⁶²

On the question of re-opening the Home market, the industry urged the "complete and speedy" abolition of the Purchase Tax which was thought "to restrict the volume of sales in the Home Market and thus retard economy in production and reduction of price to the consumer". With respect to sales abroad, the government was asked to take "emphatic and immediate steps" to ensure "the prompt re-establishment of export trade" with a minimum of limitations. Moreover, it was assumed that the Americans would be requested to drop "the harassing restrictions of Lend-Lease."⁶³ However, potential export success was being jeopardised by certain government departments.

Criticism, for example, was voiced about the effectiveness of the Export Credits Guarantee Department. Its insurance was considered too expensive, department staff were too conservative in accepting risks offered by exporters and service was "slow and cumbersome." The industry realised the opportunities offered in the post-war export market and anticipated being able to replace German and Italian manufacturers in their previous commercial strongholds. To this end, the government was asked to impose controls on their pre-war competitors and thus ensure, over a transitional period at least, that British industry would be protected from the "unfair competition" that had characterised the latter part of the 1930s. If this could be done, the promise abroad was considerable: with "the improvement in the standard

62. Ibid.

63. By 1944 Union officials noted that, thanks to the Lend-Lease Agreement, they had been shut out of the Canadian and South American markets. See memo dated 24 February 1944 entitled 'Post War Reconstruction', contained in Guardbook MRC MSS 204/3/1/54.

of living and the comparatively high cost of other forms of mechanical transport" future circumstances "should give UK Motor Cycle Manufacturers a valuable opportunity in other Overseas Markets."⁶⁴

However, the memorandum contained a surprising admission of internal divisions over how best to re-open markets overseas. The Union itself was in favour of some form of collective market research that would be centrally coordinated. However, some constituent firms were dubious about this on the grounds that such a policy was not "practicable." It might yet be possible for individual firms, or limited combinations of firms, to act in unison but nothing had been planned yet.⁶⁵ The submission also contained a prediction that would be later shown to be, at best, wildly optimistic. Encouraged by its modest expansion since 1939, when annual production was greater than any single year since 1929, the Union claimed that, within one year of the upcoming Armistice, assuming sufficient skilled labour and materials, it could produce 500,000 motor cycles and parts for sale at home and abroad. This prediction was based, again far too hopefully, on the experience it claimed to have gained in supplying the war effort. In light of the fact that the pre-war

64. See memorandum entitled 'Post-war ...', contained in PRO BT 60/81/6.

65. When the Commercial Counsellor at the British Embassy in Washington D.C. interviewed Triumph Chairman Jack Sangster in June 1946, he was told that very little had been done to organise cooperative marketing arrangements. In Sangster's words, "most manufacturers seemed to wish to plough a lone furrow, so far as export was concerned, although a considerable element of cooperation and uniform practice existed in connection with the domestic trade." See notes of the interview, prepared by J.B. Greaves, dated 5 June 1946, contained in ibid.

peak reached in 1927 was only 160,000 units, this was a highly ambitious, if not rash, self-imposed target.⁶⁶

The industry now began to seriously focus on the practical problems of improving the export trade to the United States. It was a potential market which held much promise but was also one where the British manufacturers, with the exception of Triumph and Ariel, had little experience and few contacts among existing motor cycle distributors. Then in May 1944, a fortuitous development occurred. The British Consul-General in Chicago was approached by A.R. Child, local manager of the Lockheed Aircraft Company, who indicated that he wished to become the American representative for British motor cycle manufacturers.⁶⁷

Child presented a glowing picture of the sales potential of North America. In his opinion, because of difficulties they would experience converting back to peace-time production, the sole American manufacturers, Harley-Davidson and Indian, would be unable to produce for the civilian market for two years after the end of hostilities and the British now had a golden opportunity to step in and fill the gap. Child thought that American consumers, who had not bought motor cycles in any great numbers since the 1920s, were ready for the kind of machines Britain could produce, whether the sophisticated Ariel Square Four or the

66. See memo, Watling to member of the Manufacturers' Union President's Advisory Committee, dated 6 March 1944 and entitled 'Post-war Recontruction', contained in Guardbook ibid. See also memo dated 24 February 1944 entitled 'Post-War Reconstruction', contained in ibid.

67. Before working with Lockheed, British born Child had been, among other things, Harley-Davidson's representative in Japan where the company had sponsored the establishment of a factory to build motor cycles under licence. See Harry Sucher's Harley-Davidson - The Milwaukee Marvel. Sparkford: Haynes Publishing Group, 1990, pp.69-70.

speedy and agile twin cylinder Triumphs, which would be a welcome contrast to the bigger but less manoeuvrable American models.⁶⁸

Child declared that he could resolve any problems the British might have with tariffs and currency exchange and that freight rates overseas would be competitive with continental rail charges. Best of all, because of his previous association with Harley-Davidson, Child possessed what he described as "wide personal friendships with many of the most important motor cycle distributors." Child was just the man to make the connections they would need in order to break into the American market.⁶⁹

At about the same time, the Manufacturers' Union was approached by the SMMT, which wanted to know whether or not there was any interest in combining the resources of the two organisations together in terms of creating a cooperative arrangement for an export campaign. The proposed scheme was targeted at Empire and Dominion territories such as Australia, South Africa and India but also included South America and the Middle East. It seemed as if the industry was serious about laying the groundwork for a new, revamped world-wide sales and distribution network and now had the means before it.⁷⁰

68. See memo entitled 'USA - Motor Cycle Exports', dated 6 May 1944 and contained in Guardbook MRC MSS 204/3/1/54. The memo reports information received from the British Consul-General of Chicago, who had recently conducted an interview with Child.

69. Ibid.

70. Evidently Major Watling had met with a staff member of the SMMT in late 1944 who wanted the Union to join with them to create a network of overseas representatives "who will be mainly employed for the purpose of market research, through contacts with trade associations and government departments." The overall cost was projected to be around £20,000 per year and the subscription rate for the Motor Cycle Manufacturers' Union would have been £1,000. See letter, Watling to G. Smith (Norton) dated 4 November 1944 and entitled 'Overseas Representation', contained in the Guardbook MRC MSS 204/3/1/55. The Union seemingly passed the offer up after only 19 of 120 of its members expressed interest in a questionnaire. See minutes of the meeting of the

In late 1944, the Allied armies were crossing France and had begun to approach Reich territory itself. There was now little doubt that the war in Europe would be concluding in a matter of months. At this point, two specific issues came to preoccupy the attention of the industry. The first was how the government might smoothly wind up the wartime controls and disengage from its military contracts and so allow the manufacturers to resume full civilian production. The second focused on what would now happen to the large stocks of surplus motor cycles. Both issues contained plenty of potential for continued friction between the government and the industry.

Industry representatives had an opportunity to put many of their concerns about the post-war situation to Board of Trade representative Captain B.H. Peters, in the course of two meetings held during the summer of 1944. At these meetings the manufacturers claimed that they would have little difficulty converting to peace-time production, again assuming they were supplied with enough labour and material. Major Watling recognised that exports would be "a very high priority" although Union President Gilbert Smith made it clear that the industry wanted government controls removed as soon as possible. They also urged the lifting of Purchase Tax on both motor cycles and bicycles, on the grounds that they were not a "luxury" but "an essential means of transport for workers."⁷¹

There were matters concerning export markets which also needed the speedy attention of the government. Not only would the

Motor Cycle Manufacturers' Section, dated 8 January 1945, contained in Ibid.

71. See minutes of meeting between the Bicycle and Motor Cycle Industrial and Export Groups, held on 20 July and 17 August 1944, contained in the Union Minute Book MRC MSS 204/1/1/18.

current restrictions have to be lifted, but there were certain aspects to international agreements which were complicating the industry's efforts to re-enter overseas markets. Under the Lend-Lease agreement, for example, Australia, Britain's most single important export market, had been allocated to American motor cycle manufacturers. This would have to be altered or removed altogether as soon as possible. But there were also many opportunities now opening to the industry. India, which held large sterling balances as a result of war-time financial arrangements, had an especially good potential.⁷²

There were other problems which pressed upon the industry. The question of cut-backs in government orders of motor cycles first arose in late 1944. Watling had expressed his concern to a Board of Trade official about rumours flying around the industry to the effect that government contracts would soon be coming to an end. The rumours were denied, but Watling used the opportunity to make clear his objections to the fact that production schedules had been set by the Ministry of Supply without first consulting either the manufacturers or, for that matter, the Board. He also noted that some of the manufacturers were now reluctant to seek approval from the government to begin producing prototypes of new civilian models, since they feared that to do so might be interpreted as an admission of a labour surplus, with all that implied under the prevailing circumstances.⁷³

72. Ibid.

73. See letter from Watling to Gilbert Smith (President of the Manufacturers' Union) dated 4 November 1944 and entitled '1945 Motor Cycle Programme'. The letter described an interview Watling had had the day before with Sir William Palmer, who was chairman of an unnamed Board of Trade committee. The letter is contained in Guardbook MRC MSS 204/3/1/55.

Thereafter followed a series of meetings between the Manufacturers' Union and various government ministries to negotiate the terms of the conversion to civilian production. At one held during late November 1944, Watling vented his ire at Colonel R. Grantham, a senior representative of the Ministry of Supply. Although the India Office had indicated that they were "very anxious" to resume importing motor cycles, Watling complained to Grantham that his ministry would only allow the export of light-weights, a type that the Indians did not want.⁷⁴

Several weeks later, at a conference at the Board of Trade, Grantham delivered some good news. Service requirements were dropping off, he announced, to such an extent that the industry would be able to resume peace-time production, "on a considerable scale," as early as July 1945. Capacity would be released to the individual firms on a proportional basis and phased in over the forthcoming months. Edward Turner, present at the meeting on behalf of Triumph and Ariel, wanted to know if permitted exports would now include heavy-weights, his firms' specialty. This would be allowed, he was informed, but the priority export targets were to be Allied and Continental markets.⁷⁵

In January 1945 a meeting between the Ministry of Supply and the Manufacturers' Union thrashed out many of the detailed problems. Colonel Grantham, who was chairing the meeting, informed industry representatives that, following a discussion with the Board of Trade, it was decided that his Ministry would now be responsible for civilian motor cycle manufacturing,

74. See memo dated 22 November 1944 and entitled 'Notes of interview between H.R. Watling and Colonel R. Grantham Ministry of Supply (TT2)', contained in Guardbook MRC MSS 204/3/1/56.

75. See note of a meeting held at the Board of Trade, dated 14 December 1944 contained in ibid.

although the Board would still continue to administer the export licenses. Grantham confirmed that by the end of the following June the current War Office delivery rates would be cut by 40 per cent. Moreover, the manufacturers could use their extra capacity to ship abroad as many motor cycles as they were able to produce; indeed the Ministry was "anxious that the export of motor cycles should be as high as the availability of labour would allow."⁷⁶

In turn, Grantham wanted each firm to forward to his Ministry their estimates of the numbers and type of machines they wished to export. These would be examined by Ministry personnel who would issue material allocations accordingly. The industry was more or less free to chose their export destinations, subject to continuing service commitments and urgent orders, although Canada and the Middle East were two locations where "special conditions" prevailed (presumably because of currency or remaining Lend-Lease restrictions).⁷⁷

Nonetheless, by the end of January the industry had formulated its own production programme which it hoped to develop, subject to supplies of materials, especially rubber. The programme envisioned a total of 35,000 machines, the majority in the 250cc

76. See document marked as File 257/Veh/839, dated 12 January 1945 and entitled 'Report of a meeting held at Euston House on Wednesday, January 10th, 1945 to Discuss arrangements to be made for the production of motor cycles for Export' and contained in PRO WO 185/224. The Union kept its own records of this meeting in an untitled note dated 12 January 1945, contained in Guardbook MRC MSS 204/3/1/56.

77. The Manufacturers' Union estimated that the firms had the following monthly military commitments, Ariel, 450; Matchless (AMC), 750; BSA, 1,400; Enfield, 520; Norton, 635; Triumph, 1,000. The balance available for civilian production after 1 July was, in the same order, 180, 310, 375, 210, 251 and 410. Grantham had assured industry representatives that the Ministry would not be imposing any quotas, the firms could produce all they were capable of and materials would be forthcoming. See Guardbook op cit.

and over engine capacity class, for the remainder of 1945, starting at the end of hostilities.⁷⁸ At the Ministry of Supply, staff were busy evaluating the applications from the firms who wished to export. The Ministry had also worked out a fairly detailed analysis of the industry's productive capacity and employment levels.⁷⁹

However, the industry found itself becoming increasingly frustrated with the slow pace that restrictions, especially the hated Licence to Acquire, were being lifted from civilian production.⁸⁰ In April a telegram signed by Watling was sent to the Ministry of Fuel and Power which stated that, since the industry was about to re-commence civilian production, it was imperative that both the Licence to Acquire be scrapped and the basic petrol ration increased in order to encourage sales of

78. The actual breakdown was as follows:

-up to 125cc machines: 5,000 units.
 -up to 250cc machines: 10,000 units.
 -350cc and over: 20,000 units.

See memo dated 30 January 1945 entitled '22/45. 1945 Motor Cycle Production Programme', contained in Guardbook MRC MSS 204/3/1/56.

79. The Ministry's estimates were as follows:

<u>Firm</u>	<u>Monthly output.</u>	<u>Workers.</u>
AMC	800	1,000
Ariel	565	400
BSA	1,300	1,600
Enfield	600	600
Norton	675	900
Triumph	900	600

See memo dated 2 March 1945, signed by J. Zinkin (Ministry of Supply) and entitled 'Interdepartmental Committee on the Post-War Resettlement of the Motor Industry.' Attached is a report entitled 'Production Programme for Motor Cycles. Note by Ministry of Supply'. The statistics are drawn from the attachment. All contained in PRO WO 185/224.

80. Privately, civil servants admitted that, with sanction having been given to a limited volume of civilian production and with the re-introduction of the basic petrol ration, the industry had made a valid point about abolition of the Licence to Acquire. See letter from G.D. Frazer (Ministry of War Transport) to R.L. Bryant (Board of Trade) dated 15 May 1945 and contained in ibid.

motor cycles to potential customers in the Home market. Not only was there a growing demand for motor cycles in the Home market but increased numbers of them on British roads would help take some pressure off overworked public transportation systems. If no changes were forthcoming, Watling warned, the Manufacturers' Union would make this a political issue.⁸¹

A meeting was scheduled on 11 May at the Board of Trade in order to resolve the industry's continuing problems. Watling stated at the outset that the Union was "frankly anxious and irritated at the delay in removing obstructions in the way of their civilian trade." He firmly stated the Union's major requirements: the need to increase the basic petrol ration, give the industry the discretion to resume servicing its former export markets, (especially in continental Europe, now starved for personal transport), revise the motor cycle tax structure and, finally, remove the Licence to Acquire, in order to allow the Home market to fully develop.⁸²

Industry representatives were especially angry about what they considered unnecessary continuation of export restrictions. W. Corbett, a representative from Douglas motor cycles, for example, told the Ministry of Supply and Board of Trade officials present

81. See telegram from Watling to the Secretary, Ministry of Fuel and Power, dated 25 April 1945 entitled "1945 Motor Cycle Production Programme" contained in ibid. Watling's telegram ended on this rather confrontational note: "I want to make it perfectly plain that if unnecessary obstruction on the manufacture, sale and use is continued there will be - as the result of the present restrictions - considerable unemployment in the motor cycle industry at the beginning of July 1945 and the industry will have to make this situation perfectly clear to the public at large."

82. See memo dated 11 May 1945 entitled '1945 Motor Cycle Production Programme' contained in Guardbook MRC MSS 204/3/1/56. A copy of the Ministry's own minutes of the same meeting are contained in PRO WO 185/224.

that, even though his firm had a number of outstanding orders from Australia and New Zealand, they could not be filled because of lack of cooperation from the British government. Such limitations would hobble the industry's ability to maintain their export programme.⁸³

The Douglas company, like the other manufacturers, saw a strong correlation between an expanding Home market and a healthy export trade. Corbett claimed that during the pre-war period Douglas had sold 30 per cent of production abroad but that this figure could now be increased to 50 per cent under the right conditions. Not only did he maintain that "practically no profit is made on exports" but much would depend on the Home market, since foreign sales tended to fluctuate from year to year and the domestic trade absorbed production when exports were weak.⁸⁴

W. Binney, Principal Assistant Secretary of the Board of Trade and chairman of the meeting, expressed some scepticism about this assertion of the inter-relationship between exports and the Home market. After all, he reminded industry representatives, "cost was surely related to output irrespective of the distribution

83. A Board of Trade representative noted that in the case of New Zealand, such restrictions were the result of pre-war regulations designed to preserve Sterling balances. See minutes of a meeting held at the Board of Trade's London office on 11 May 1945, contained in PRO WO 185/224.

84. Corbett went on to say that his company would not go ahead with their projected production programme, (he mentioned the figure of 200 machines a week), unless they had "a free home market." Gilbert Smith of Norton said that the industry was not so much worried about a labour scarcity as it was about unemployment caused by the Government restrictions which were holding up their production plans. He noted that the 1945-1946 production programme was dependent on the manufacturers' estimates of the division of their output between Home and export markets. Watling could not say what exactly those proportions were, since they varied between firms. However, he did note that in the time before the Germans began to launch their government subsidised export drive it approached 50 per cent of the total value of production. Ibid.

between markets." But he said that the officials present would do whatever they could to expedite matters for the motor cycle producers.⁸⁵

In Watling's view, the best way to administer the Home market was simply to leave it all in the hands of the industry. Together with the existing high prices and limited petrol supplies, the market itself would then regulate sales. There was no need for the Licence to Acquire system to stay on. However, a Ministry of War Transport official noted that, over the past two years, only ten applications in total of motor cycles had been turned down, so "it could hardly be claimed that the system was restricting the Home market."⁸⁶

Another particularly sensitive matter for the industry was the question of the disposal of surplus military motor cycles. Evidently, after the Great War, the industry had been able to convince the government of the day to scrap the surplus military stock instead of releasing it on to the open market. However, this seemed to be unlikely a second time. Manufacturers' Union President Gilbert Smith noted that both the Treasury and what he termed "public opinion" would not "easily be persuaded" to allow this to happen once more. The Union would, he declared, develop other alternatives.⁸⁷

85. Ibid.

86. Ibid. In his report back to the Manufacturers' Union Management Committee, Major Watling noted that he had heard reference made about the government's Interdepartmental Committee for the Post-war Reconstruction of the Motor Industry. He had subsequently made enquiries and was able to inform them that "it appeared that this rather grandiose sounding committee was really nothing more or less than an occasional meeting of various Government Departments." See memo entitled '1945 Motor Cycle Production Programme', op cit.

87. See minutes of the General Meeting of the Manufacturers' Union dated 1 February 1944 contained in Guardbook MRC MSS 204/1/1/18.

For its part, the Board of Trade was beginning to find the growing numbers of military motor cycles, now surplus to requirements but under its jurisdiction, to be particularly irksome. Because of war-time government contracts, the manufacturers had produced far more motor cycles since 1939 than they would have ever done under normal circumstances and, as one memorandum noted, disposal of these machines was a time-consuming task. One factor which made disposal so difficult was what was termed the "peculiar" nature of the home motor cycle market. First, this was because of the decline in motor cycle sales before the war (attributed to the greater appeal of light motor cars) which might continue after the war, and, second, because sales would be limited by the fact that this was a "pleasure market", one "to some extent confined to the sporting youth section of the community." Finally, continuation of petrol sales would hardly be an incentive for members of the public to want to buy personal motorised transport.⁸⁸

Earlier on during the war, the Board had already become apprehensive of what would happen to motor cycle prices after the end of hostilities. The problem was thought to be more acute for used rather than new motor cycles. Even in 1942 a Board official had told Watling that his Ministry feared "the likelihood of exorbitant prices being asked for motor cycles" and was investigating the possibility of the application of controls. However, by 1944, circumstances seem to have drastically changed.

88. Another problem holding back sales were the fact that many of the surplus motor cycles were obsolete and compared poorly to machines built originally for the civilian market. See document entitled 'Communication No. M.T. 16 - Mechanical Transport Disposal Panel - Motor Cycles', dated 28 March 1945, contained in PRO BT 69/171.

Another Board official told Watling that they were open to the Union's suggestions. Indeed, as far as he was concerned, disposals policy was "a blank piece of paper upon which they could write."⁸⁹

Several proposals were advanced. Gilbert Smith thought that surplus machines could be stored in the vacant factories that were scattered around the countryside and could be drawn upon as needed and absorbed into trade channels. Edward Turner had a simple solution: send off as much of the surplus as possible to what he called "backward territories." In fact, he believed this was also a shrewd marketing ploy that could pay dividends later on, since ownership of these motor cycles would subsequently "arouse in such people a desire to continue to acquire them."⁹⁰

A solution to the problem was reached in the spring of 1945. The whole question had become complicated by the fact that, far from being a sellers' market, the home market was depressed because of continued petrol rationing, which undercut the attraction of ownership, irrespective of price. The Union convinced the government to allow the individual firms to buy and re-condition used military motor cycles, at a pre-determined figure, and then gradually to release them onto the market. There does not seem to have been any wholesale scrapping of surplus British motor cycles nor price rises to the levels feared although there were to be problems regulating the flow of re-conditioned machines.⁹¹

89. See Minutes of the General Meeting of the Manufacturers' Union, 1 February 1944, op cit.

90. Ibid.

91. See minutes of the meetings of the Mechanical Transport Disposal Board for 28 March and 11 April 1945, op cit.

As the war drew to a close, it was clear that the British motor cycle industry had regained an undisputed position as world leader in the trade. Between 1939 and 1945 it had produced more motor cycles than any other country, in excess of 400,000 machines by May 1945.⁹² [See Appendix 1, Table XII]. German production, in contrast, had totalled 307,436 machines of all types over 1940-1944. Arguably the Germans may have shown more innovation in their designs but with many of their factories destroyed by bombing and the nation now about to fall under Allied occupation, no one seriously thought they would pose a threat for some time to come.⁹³ As for the other Continental producers, they may not have been as badly damaged as the Germans but they all suffered from the war to one degree or other.

The USA, which had emerged in 1945 as an economic and military superpower, still lagged well behind Britain as a motor cycle producer. Together, the combined volume of the Harley-Davidson and Indian companies amounted to 130,044 machines or just barely over one quarter of Britain's military output. Nor had they been

92. According to government figures, the British motor cycle produced 382,715 machines by the end of 1944. Exact estimates of production from January 1945 until the end of hostilities are not available, but may have amounted to anything between 20,000 to 50,000 machines. The 1939-1944 estimate is contained in PRO AVIA 46/192. Davies, op cit, contains an undated photograph of Triumph Engineering handing over the 400,000th British war time motor cycle to a government representative. The photo, located on p.79, is undated but most likely from early 1945.

93. The German figures are based on production throughout the so-called 'Greater German Reich' which included motor cycle plants in the former Austria and part of what had been Czechoslovakia. It is unclear just what the breakdown was between the large twin cylinder and the much smaller single cylinder models, but if pre-war trends continued the latter probably outnumbered the former. By 1944, the last full year of production, only one firm, Auto-Union (based in Zschopau in what would become the Soviet zone) continued building motor cycles and then only in the 250cc and 350cc range. See US Strategic Bombing Survey, Report on the German Motor Vehicle Industry, Washington: Munitions Division, 1947, pp.7, p.13 and p.19.

beset by the same degree of material shortages or had their operations disrupted by enemy action and seemed to be in a better condition to increase market share. However, there was no evident sign that they intended to extend their model range beyond their pre-war offering or had any plans for post-war marketing.⁹⁴

The British manufacturers wasted little time in introducing their peace-time models to the public. Triumph actually announced its 1945 line-up while the British army was still fighting its way to Berlin and this development was followed by one from AMC only a few weeks before VE day. However, these motor cycles would not be available to the public until after government permission had been received. Moreover, several of the firms had shown an interest in examining captured German machines for possible incorporation of their features in upcoming models of their own.⁹⁵

Still, at least one disquieting note was recorded. The Motor Cycle and Cycle Trader let the manufacturers know its misgivings about their peace-time plans. True, Britain was again back on top with a seemingly freer hand than before to expand into markets all over the world, but on what basis would this be done? A correspondent writing in that journal saw the potential for

94. Indian's production was 43,044 machines and Harley-Davidson made 88,000 during the period in question. See Harry Sucher's The Iron Redskin, Sparkford: Haynes Publishing Group, 1990, p.283 and his Harley-Davidson, p.183.

95. The story about Triumph's announcement is contained in an article entitled "Triumph Post-War Motor Cycles" in the Motor Cycle and Cycle Trader, 2 March 1945, p.598. The AMC story, entitled "AMC War Effort and Prospects," is covered in ibid, 13 April 1945, p.16. The Institution of Automobile Engineers had circulated a memo that contained information about a BMW 750cc side-car combination unit brought back from North Africa. See memo dated 9 December 1943 entitled '23/43: Research' contained in Guardbook MRC MSS 204/3/1/54.

growth in the small 'economy' motor cycle category and this was especially important if the industry wished to service the strong demand for cheap, basic personal transport on the Continent.⁹⁶

Yet the British manufacturers seemed no more inclined to follow this advice than they had in the 1930s. The times looked good for almost any strategy, but how long would these happy circumstances last?

96. The opinion piece was carried in the 13 April 1945 issue at p.33. The correspondent, identified as 'Marcus', condemned the "racing and reliability trials mentality of manufacturers" and so long as "that mentality persists we can never hope to see the motor cycle develop as it should - as the cheapest form of powered transport for the man and woman of modest means." He concluded by stating that if the industry was to survive and expand, "the appeal of speed must be subordinated, and in its place must be emphasised the handiness and economy of the motor cycle as the everyday transport of the man in the street."

Chapter 3.

'The Industry Reconstructs, 1945 - 1951'.

The six years after the war provided the motor cycle industry, as much of British industry generally, with unparalleled opportunities for an expansion of sales both at home and abroad. These opportunities were considerable, the British manufacturers now being well ahead of their foreign competitors in terms of production and design. Yet the challenges facing them were also daunting. British motor cycle firms were now subject to frequent disruption of their supplies of labour and raw materials, a condition that was to be their bane for several years to come. Moreover, after the June 1945 General Election the industry also had to assess the attitude of a whole new set of ministers. There was now the uncertainty of discovering where the industry stood in relation to the Labour government's reconstruction plans.

During the course of a series of meetings in the first half of 1945, the Union set itself several goals to achieve in the years that followed the defeat of Germany: first, to convert to civilian production as quickly as possible; second, to reopen export markets, especially those that had been lost to the Germans during the 1930s and during the war thanks to foreign competition in export markets and later through the terms of the Lend-Lease programme¹; third, to complete designs for new models and quickly get them into showrooms, at home and abroad, in order to maintain

1. Union President George Wilson thought that, in terms of exports, there were three courses of action open to the industry. One, to continue trading in traditional overseas markets such as Australia. Second, to move into those markets in, for example, South America and Asia, formerly dominated by the Germans, but now open to the British. Third, he saw particularly good prospects in North America, a market where neither the British or Germans had much previous success. See 'Better than ever', The Export Trader, August 1945, pp.12-13.

and enlarge existing ownership; and finally, to acquire new plant and factories where needed, through the anticipated reparations programme.²

This final point was an especially sensitive one in light of the fierce rivalry that had been waged between the British and German motor cycle industries during the 1930s. The industry believed it now had the opportunity to thoroughly investigate German factories and pick up plant and designs, virtually, they hoped, on demand. British manufacturers thought they would also be able to discover just how the Germans had been able to launch and maintain their pre-war export drive which had so alarmed industry leaders. Many British manufacturers firmly believed that this success was less the result of the quality of German designs or their manufacturing techniques but was instead the result of state sponsored subsidies.³

When Germany capitulated in May 1945, the motor cycle industry was more fortunate than other British industries. Although some of its factories had been bombed during the conflict, nearly all the damage had been repaired or replaced and, Triumph for one, actually emerged from the war with far better facilities than it had started out with in 1939. Moreover, unlike the motor car 'Big Six', who had been required by the war effort to drop their regular

2. See meetings of 20 July, 14 August and 16 May 1945, all contained in Minute Book MRC MSS 204/1/1/18.

3. Not everyone associated with the British motor cycle industry subscribed to this critical view of German industry. E.A. Mellors, for example, a well known racer (who had been 'Champion of Europe' over 1938/1939) was much more sympathetic to the Germans, who he thought were far better at marketing than their British counterparts. Their success, in his opinion, had less to do with government subsidies, but was more the result of the fact that they "were wise enough to supply their customers with what they wanted, and not what we would have like to sell them." See 'The motor cycles Europe needs' by E.A. Mellors, Motor Cycle and Cycle Trader, 27 April 1945, p.84.

production programmes and had become heavily committed to aircraft and other military work, the major British motor cycle companies had continued manufacture of their main line of products, albeit modified for the services. Hence, reconversion would likely be fraught with fewer problems in terms of re-tooling for peace-time production.

Nonetheless, there still remained the difficulties of procuring sufficient quantities of materials and labour. Unlike the motor industry, motor cycle manufacturers were not at first subject to the same degree of tight export quotas although intimations to this effect had been received by certain manufacturers, even before the war had ended. In January 1945, BSA for one, had been told materials and labour would only be forthcoming contingent on production for export.⁴ However, as late as May 1946, the industry had yet to receive firm export guidelines from the Government. At that point, Triumph Chairman Jack Sangster led a Union delegation to the Board of Trade and concluded a verbal agreement that ensured 50 per cent of production would go abroad.⁵

In fact, the industry claimed its exports had consistently reached this target both before and after Sangster's agreement. Norton, for example, was already exporting 75 per cent of its output, mostly to Canada and various South American countries, by early 1946. In September 1947 a letter was received from the Ministry of Supply notifying the Union that, pursuant with guidelines put down for four wheeled motor vehicles and bicycles,

4. During a meeting of the BSA Small Heath factory Management Committee, members were informed that "manufacturers will be permitted to recommence the production of civilian machines for export purposes only." [Emphasis in the original]. See Management Committee meeting of 20 January 1945, contained in MRC MSS 19A/1/5.

5. See minutes of the Motor Cycle Manufacturers' Section meeting of 26 September 1947, contained in Minute Book MRC MSS 204/1/1/20.

henceforth the motor cycle industry would have to increase its proportion of exports up to 75 per cent. In another communication, the Ministry informed the industry that it had approved its 1948 production programme at the level of 150,000 machines, assuming adequate supplies of materials and labour.⁶

The manufacturers unanimously agreed to meet this new export target, by way of a series of monthly increases of 5 per cent, commencing that October. Union members were also relieved to hear news of a recent speech made by Board of Trade President Harold Wilson, delivered in Birmingham, where he had promised the motor cycle industry priority deliveries of coal and steel. They were disappointed, however, to learn later in October that they would not qualify as a priority industry for labour supplies.⁷

British motor cycle manufacturers were mindful of the situation they had faced immediately prior to the war when German competition had eroded many previously secure overseas markets. However, now they faced a radically changed trading environment. It was obvious that, after the sustained aerial bombing and extensive ground fighting which had destroyed large parts of its industrial plant, Germany would not be in any condition to challenge Britain

6. See minutes of the Motor Cycle Manufacturers' section of 26 September 1947, contained in Guardbook MRC MSS 204/3/1/61. The Ministry of Supply's 1948 programme is outlined in a Union memo dated 20 October 1947 and entitled '210/47. Motor Cycle Exports'. The author of the Ministry of Supply made his estimate of 150,000 machines on the basis of the Union's memo to the Board of Trade in July 1944. However, this memo had actually said the industry could produce 500,000 machines after the war. All material contained in Guardbook MRC MSS 204/3/1/61.

7. See the minutes of the meeting of the Group Export Management Committee, held on 21 October 1947. Members had been informed by the Ministry of Labour that "there was no priority whatsoever for labour for the Cycle and Motor Cycle Industries." Complaints were also voiced about the poor quality of steel which had arrived. During that time exports had been increased to 60 per cent of total output. The minutes are contained Minute Book MRC MSS 204/1/1/20.

industrially for some time to come. Many manufacturers hoped that the Germans would now face punitive limitations on production, in order to retard any quick recovery in overseas markets. Italy, the lesser pre-war competitor, was not treated as a former enemy, having dropped out of the Axis in 1943. Yet it would still need time to re-organise its battered industries.⁸ Thus, the only conceivable potential competition would have to come from the Americans, whose industry had been progressively fading away in export markets long before 1939 and who seemed to be preoccupied with its own domestic market.⁹

There had also been some changes in the structure of the British industry during the war years. The 'Big Six' had persisted to 1939 but did not survive the war. It had become, for all intents and purposes, the 'Big Five' after BSA bought Ariel Motors from Jack Sangster, along with the rights to the defunct New Imperial name, in October 1944.¹⁰ Production continued at the Birmingham factory but now under the overall direction of the BSA Board of Directors. Although the sales agreement promised a degree of autonomy for the

8. See editorial entitled 'Another Reason the Purchase Tax must Go', Motor Cycling, 5 July 1947, p.163.

9. Nonetheless, some suspected there was every possibility that the Americans might yet launch an export drive of their own and rumours abounded of new designs nearing completion on drawing boards at the Harley-Davidson and Indian companies. See memo 'USA: Motor Cycle Exports', dated 3 February 1947, contained in Guardbook MSS MRC 204/3/1/59a. For details of Harley-Davidson's post-war production programme, see Harry Sucher, op cit, pp.185-212.

10. BSA bought Ariel from Sangster in late 1944 for £310,000 cash, along with the rights to the name of Imperial Motor Cycle Co, which was another Sangster asset. Sangster must have been a tough bargainer. Docker was initially mandated by the Board of Directors to offer £80,000, yet a month later this total had more than tripled, albeit with the New Imperial company thrown in as a sweetener. See meetings of September 19, October 17 and November 19, 1944, contained in the BSA Board of Directors' Minute Books, No.14, MRC MSS 19C/18.

firm, this would in future diminish year by year.¹¹ Ariel was not the only motor cycle firm picked up by BSA before 1945. Cash rich because of its numerous and lucrative military contracts, BSA had gone off on a wartime buying spree. Prior to the Ariel sale both New Hudson and Sunbeam had been purchased in 1943, the latter from AMC. The BSA Group, which was the largest producer before the war, became by 1945 the dominant and pre-eminent firm within the industry.¹²

Two other well known pre-war names did not survive the war. Rudge-Whitworth, a Coventry based quality producer, had been bought by music giant EMI and production moved to a new factory in Hayes, Middlesex. However, the planned renewal of the motor cycle production was disrupted by war and the factory was put to work with other types of manufacture. After the war EMI decided to keep Rudge shut down, although it would later produce a reasonably successful motor attachment for bicycles, the Cyclemaster. Brough-Superior, the low production, high quality firm favoured by riders such as T.E. Lawrence, was concentrated into munitions work during the war and simply never resumed production after 1945.¹³

The 'Big Five' British motor cycle manufacturers were either in a position to immediately produce new or revamped models or at least had something moving through their development offices.¹⁴ Triumph

11. See 'Ariel Motor Cycles acquired by BSA', Motor Cycle and Cycle Trader, 5 January 1945, p.352.

12. The New Hudson purchase, which cost £90,000, was approved at a Board of Directors' meeting on June 22, 1943. The Sunbeam purchase, which cost £50,000, was approved at the September 21, 1943 meeting. See Directors' Minute Book, op cit.

13. See Peter Hartley, The Story of Rudge Motor Cycles, Wellingborough: Patrick Stephens Ltd., 1985, pp.118-120 and Ronald Clark, Brough Superior - The Rolls Royce of Motor Cycles. Norwich: Goose and Son, 1964, p.92.

14. For details of the models produced in the post-war years, see Roy Bacon, British Motor Cycles of the 1940s and 1950s, London: Osprey Publishing, 1989.

was probably the best prepared of all British firms to move quickly and exploit the export market. This company had experienced great success with its innovative and pacesetting 500cc vertical twin cylinder model, the 'Speed Twin'. Introduced over the 1936/1937 season, it had put Triumph well ahead of the pack and left the other firms scrambling to develop equivalent models of their own. In fact, none was able to do so before the commencement of the hostilities or even for several years after 1945.

Thus Triumph, based since 1942 in their Meriden plant on the outskirts of Coventry, which was then probably the most modern motor cycle factory in the world, lost no time switching to civilian production. Not only was the Meriden works designed for dedicated motor cycle production but the company had, for the most part, been able since 1942 to stick to their regular line of manufacture for the British armed forces throughout the war. Hence, converting back to civilian based manufacturing was not too difficult.¹⁵

More important, Triumph was probably the firm best positioned to move into the American market, the most promising of any overseas. Indeed, owner Jack Sangster had shown an interest in the US before the war when both Sangster's Triumph and Ariel companies had begun to send small numbers of machines there. Moreover, Triumph Managing Director Edward Turner was especially keen about sales prospects in America, especially on the west coast.¹⁶ Before the

15. See Davies, op cit, pp.95-112 and Hopwood, op cit, pp.39-68.

16. Turner wrote a glowing account of sales prospects in the western US after one of his American business trips, see his 'From Coventry to California', Motor Cycling, 18 October 1945, pp.436-437. Triumph owner and chairman Jack Sangster also made a point of personally visiting the USA to investigate sales opportunities, see 'Memorandum of an Interview with Mr. J.Y. Sangster, Chairman, Triumph Engineering Co. Ltd. Coventry', dated 5 June 1946, op cit. For a broader overview of Triumph's entry into the American market,

war, Turner had met an American lawyer, Bill Johnson, a fellow motor cycle enthusiast, who was willing to set up a Triumph dealership in Los Angeles. This was to be the start of a foothold in America. It is a reflection of Triumph's commitment to the American market that Jack Sangster allowed Turner six months off every year in order to travel to the US and drum up sales. As will be seen, Triumph sales in the US, mostly larger displacement machines, started to rise continuously.¹⁷

Triumph's orientation to larger displacement motor cycles made sound business sense. For an operation of its size, producing approximately 10,000 units per year, profits were more related to charging the highest possible price on individual machines as opposed to turnover gained from volume production. In 1947, for example, the factory produced, among others, 2,288 of its 500cc T100 models, worth £266,904, and 3,630 of the 350cc 3T models worth £350,721. Notwithstanding the higher turnover gained from the smaller machines, Triumph actually cleared £56,985 profit on the T100s compared to £49,619 for the 3Ts.¹⁸

Triumph may have been the first off the mark with the Speed Twin, but the other major firms were soon to follow with equivalents of their own. AMC and Royal Enfield both introduced large displacement twin cylinder models designed to compete directly with the Triumph. Norton was slower to produce a vertical twin, sticking to the big singles either out of loyalty or because of a

see Lindsay Brooke and David Gaylin, Triumph Motorcycles in America, Osceola, USA: Motorbooks International, 1993, pp.14-25.
 17. See Hopwood, op cit, p.32 and p.60 and Davies, op cit, pp.113-134. In 1947, for example, Triumph built 6,343 500cc and 3,630 350cc machines. In 1950, it built 7,427 650cc, 4,879 500cc and 1,773 350cc machines. Information contained in MRC MSS 123/2/3/6/15 and MSS 123/2/1/2.
 18. Financial data drawn from materials within MRC MSS 123/2/3/6/15.

shortage of funds for expansion or retooling. The latter constraint was rectified shortly after the conclusion of the war, when the company applied for government authorisation to build an addition to its Birmingham factory.¹⁹ Nonetheless, thanks to their many racing victories, as well as much publicised patronage from celebrities such as entertainer George Formby, the Nortons had an aura of glamour that gave them a cachet over and above most other motor cycles.²⁰

The other larger scale manufacturer, Royal Enfield, was still located at its long time base at Redditch although it continued to have access to an underground munitions factory near Bradford-on-Avon, which would ultimately be used for motor cycle production. Although it too would produce a twin cylinder model, a proportion of the company's production remained the traditional larger displacement single cylinder machines.²¹ This is not to suggest that all the British motor cycle industry produced were big displacement machines. Royal Enfield, for one, had a version of its 125cc lightweight machine which had been used by British paratroopers during the war and was introduced in 1946. Most of the other firms, in and out of the 'Big Five', manufactured at least one 250cc model and, as before the war, smaller firms such as James, Francis-Barnett and Cyc-Auto produced a series of smaller machines, starting at the 98cc displacement class.²²

19. Norton Motors' building application, dated 14 March 1946, is contained in PRO BT 208/17. See also 'British Industry gets down to it', by G.E. Thomas, Export Trader, August 1948, pp.401-405.

20. A photo of Formby and his new Norton, posed outside the Birmingham factory, is contained in the Motor Cycle and Cycle Trader, 18, July 1947, p.480.

21. See Peter Hartley, op cit, pp.80-82.

22. Details of the various models are contained in Roy Bacon, op cit.

As the industry's largest firm, it was not surprising to discover that BSA had the most diversified and ambitious post war programme.²³ By 1945, the company had several new designs ready for production, although production of pre-war machines continued for some time after the end of the war to keep machines in the showroom. These models included some of use under the New Hudson and Ariel names, ranging from small BSA or New Hudson single cylinder machines to the massive Ariel four cylinder 'Square Four'.²⁴ These also included the inevitable 500cc vertical twin cylinder model but also an innovative 500cc shaft drive machine, whose features undoubtedly owed something to the captured BMWs and Zundapps. The 500cc vertical cylinder twin, entitled the A7, was targeted at a more sporting market, to compete directly against Triumph's 'Speed Twin'.²⁵

In contrast, the shaft-drive machine, which would be badged under the recently acquired Sunbeam name, was given an entirely different image. Building on the Sunbeam marque's pre-war reputation as an comparatively expensive, high quality 'gentlemen's' motor cycle, it would enable the company to stake out the upper level of the market.²⁶ The company also found itself with an abundance of

23. See BSA Small Heath factory Management Committee meeting minutes, entitled 'Motor cycles and pedal cycles, immediate post-war models' held on 28 August 1944, contained in MRC MSS 19A/1/5. For details on investigations conducted on German and American motor cycles, see memo dated 27 August 1945 entitled 'Research - Captured Enemy Motor Cycles', contained in Guardbook MRC MSS 204/3/1/57.

24. See Ryerson, op cit, pp.87-110 and Bacon, op cit, pp.32-41, pp.52-64 and p.125.

25. See BSA Small Heath factory Management Committee meeting of 10 September 1945, contained in op cit and Ryerson, op cit, p.93 and p.105.

26. See BSA Chairman's Speech, delivered 31 December 1946, contained in the BSA Collection, Birmingham Central Library, MS 321/A and Robert Cordon Champ, Sunbeam S7 and S8, Sparkford: Haynes Publishing Group, 1983, pp.5-8.

manufacturing capacity. The main factory at Small Heath, Birmingham, may not have been as modern as Triumph's Meriden operation but it had been repaired and improved after the bomb damage of 1940 and 1941. Moreover, BSA had managed a new 'Shadow' munitions factory in nearby Redditch, which would be converted to motor cycle production.²⁷

Hence, the company was able to develop a dual manufacturing strategy of continuing to produce pre-war models at Small Heath and then gradually introduce new machines over the next year as they became available. At Redditch in the meantime, Sunbeam manufacture would commence as soon as possible. These facilities were additionally complemented by a metal plating firm, Monochrome, which had been bought by the Group in 1946 along with Metal and Plastics Components.²⁸

The one gap in BSA's plans was for a cheap lightweight machine. Although the company had manufactured a 150cc motor cycle during the 1920s and 1930s, it had been dropped from the line-up at the end of the decade. The company had developed a prototype autocycle model at the Small Heath factory just before the outbreak of the war, as a belated effort to re-enter the lightweight utility market. However, the sole copy had been destroyed in the 1940 Blitz and engineers had been set to work devising a replacement. It was hoped this machine would have great potential in post-war

27. See BSA Board of Directors' meeting of 20 March, agenda item 9949, and 17 July 1947, agenda item 9979. BSA paid the Ministry of Supply £55,000 for what was called 'No. 4 Shop' in Redditch. The minutes are in Minute Book 15, MRC MSS 19C/19.

28. The Board voted to purchase Interchrome on 19 September 1944 (agenda item 9744) for £14,000 and decided to purchase Monochrome on 19 February 1946 (agenda item 9866) for £26,000. Meetings contained in Minute book No. 14, MRC MSS 19C/18.

Britain, undoubtedly starved for personal transport and which would have need of highly efficient economy transport.²⁹

BSA and Triumph were not the only firms to benefit from the acquisition of new war-time factories. Other Midlands motor cycle producers, such as James and Francis-Barnett, also suffered war damage and were re-located in renovated buildings. Francis-Barnett had even bid for a re-conditioned Ministry of Supply building in Kenilworth, Warwickshire. It was ultimately sited in new quarters just outside Coventry city centre. The Coventry-Eagle Motor Company had been a smaller producer of bicycles and light-weight motor cycles before the war. During the war its factory had also been knocked out by the Luftwaffe. In 1945 it acquired the use of a new 'shadow' factory at Tile Hill near Coventry and announced an ambitious production programme. In the event, Coventry-Eagle never did resume produce of motor cycles, deciding to concentrate on bicycles instead.³⁰

Among the smaller firms, more specialised sales strategies prevailed. Vincent-HRD, for example, had been formed in the late 1920s by Philip Vincent, a Harrow School and Cambridge University engineering graduate, unusual qualifications for a manager in the motor cycle industry. Vincent's father, who was a wealthy cattle rancher in Argentina, helped bankroll the company. During the inter-war years the company gained a reputation for building,

29. See BSA Small Heath factory Management Meeting of 20 January 1945, which discussed using a Villiers engine in an Auto-cycle. Minutes contained in MRC MSS 19A/1/5.

30. See article entitled 'New factory allocated to Coventry Eagle', Export Trader, December 1945, p.146. See also reference to Francis-Barnett's potential Kenilworth factory site, (undated memo), contained in PRO BT 177/1519.

albeit in small numbers, expensive high performance racing and touring machines.³¹

In early 1946, Vincent-HRD acquired a former 'shadow' aero-engine factory in Stevenage, which complemented an existing works. During the war, although the firm had been diverted into general munitions and non-motor cycle related work, time had been found for design work to revamp the existing line of large, sports and touring oriented 500cc and 1000cc machines. With hostilities concluded, Vincent was ready to produce a much improved line of high-powered, expensive road burners. After only a short time its 1000cc 'Rapide' model, followed by a specially speed tuned variation, the 'Black Shadow', put Britain far in advance of its potential American rivals in the top level of the market.³²

Vincent-HRD is a good representation of what British motor cycle companies produced for the high end of the market, but there were a number of other smaller firms interested in developing the economy end. As during the inter-war period, these machines were mostly the products of firms outside the 'Big Five'. Veloce, the Birmingham manufacturer of Velocette motor cycles, which had made a reputation for its expensive sports oriented machines, startled the industry by debuting its 'LE' (Little Engine) machine at the 1948 Show. In the words of company director Eugene Goodman, Veloce had "designed a machine that will not only make a great appeal to motor cyclists but one that will extend the market by attracting many people who want economical and trouble free transport." In this

31. See Roy Harper, Vincent Vee-Twins. London: Osprey Publishing Company, 1982, pp.18-19 and 'Building the world's fastest motor cycle', Export Trader, June 1946, pp.230-233.

32. See article entitled 'Government factory,' contained in The Motor Cycle and Cycle Trader, 15 March 1946, p.722. See also the section on the new Vincent factory, contained in PRO BT 177/304.

way, the company hoped to be carry on where the Francis & Barnett Cruiser of the 1930s had left off.³³ Other smaller companies were also active in this market. The James Company, which built machines mostly in the 125cc range using proprietary Villiers engines, managed to procure a large order from the American market in 1945, through a distribution agreement with Hambros bank. Two companies, Swallow and Brockhouse, built, respectively, the 'Gadabout' and 'Gorgi', which were early versions of the scooter, although they were not to be remotely as successful as the Italian Vespa or Lambretta.³⁴

Even though many of these machines were diverted to overseas markets, the Union did not display the same public vehemence in opposing Government export quotas as the SMMT. There was for example, little of the open hostility shown by motor car manufacturers when Stafford Cripps announced the details of their export quotas in 1947. The motor cycle industry was far more inclined to get down to the job of making as many motor cycles as possible for sale abroad without the same degree of grumbling. The Union was, however, quite insistent that the tax structure for motor cycles be completely reformed.³⁵

33. See article entitled 'The New Velocette', contained in The Motor Cycle and Cycle Trader, 5 November 1948, pp.172-173. In the opinion of one company historian, the aim of the LE was to "appeal to the general public, to the pedal cyclist who wanted power transport, to the pedestrian who could not afford a car." See Kelly, op cit, p.139.

34. For information on the James see untitled news item in The Motor Cycle and Cycle Trader, 23 November 1945, p.204. The American order amounted to 5,000 machines. The 'Gadabout' was covered in another untitled story in the Export Trader of February 1947, pp.58-59. For information on the 'Gorgi', see article entitled "'Paratroopers' motor cycle improved for civilian use' Ibid, p.46.

35. See George Maxcy and Aubrey Silberston, The Motor Industry. George Allen and Unwin, 1959, p.18 and 'What future for the motor industry?', Labour Research Bulletin, April 1946, p.52.

This was a now familiar refrain, one which the Union had been repeating to various governments ever since the time when Winston Churchill had been Chancellor of the Exchequer in the late 1920s. Using much the same arguments as the SMMT, the Union adamantly maintained that a healthy export market must rest on a strong and secure home market. This, they claimed, would only come about if the existing tax system was changed as the industry had suggested during the 1930s. They remained convinced that there was a latent demand in the home market, which would be tapped by light-weight motor cycles but would only be successful if the tax were lowered.³⁶

Not only did the government fail to heed the appeals of the motor cycle manufacturers but, when in 1947 the horse-power tax on motor cars was abolished and replaced by one based on engine capacity, nothing whatsoever was done to change the motor cycle tax. In response to petitions launched by both a Standing Joint Committee made up of representatives from the MAA, RAC and AA as well as one directly from Jack Sangster on behalf of the Motor Cycle Manufacturers' Section of the Manufacturers' Union, a Treasury representative informed them that the current tax structure would remain unchanged.³⁷ The decision was defended on the grounds that, while it was true the new flat-rate scheme for the motor car industry was designed as an incentive to pare down the multiplicity of models and thus promote the export trade, there was no "close

36. See minutes of Council meeting of 13 May 1947 and the Motor Cycle Manufacturers' Section meeting of 15 July 1947, contained in Minute Book MRC MSS 204/1/1/19.

37. See Letter from W.V. Gibson and A.W. Phillips (Joint Secretaries) of the Standing Joint Committee to Hugh Dalton, Chancellor of the Exchequer, dated 27 June 1947 and entitled 'Motor Cycle Taxation' as well as Jack Sangster's letter to Dalton of the same date, entitled 'Motor Cycle Taxation', both contained in PRO T228/420.

analogy" with the motor cycle industry. As matters now stood, there were only two tax steps up to the 250cc engine capacity stage and for larger capacities there was already a flat rate. Hence, it could hardly "be regarded as restrictive of design."³⁸

The Union was angered by what was considered favouritism shown towards the motor car industry and the destruction of the historical linkages between the two industries implicit in the old tax system. It made dire predictions about what would happen to the home motor cycle market should the government not alter the tax laws, a development that would inevitably hurt the export trade.³⁹

Why had the government not acted on the petitions of the motor cycle industry? The truth was mostly likely that, in contrast with the motor car industry, the motor cycle industry was simply not big enough and did not share anything approaching the same scale of manufacturing or employment. Although the motor car industry was a focus of attention in the government's export drive, their motor cycle counterpart was considered something of a poor sister. No motor cycle manufacturer, for example, was represented on the National Advisory Council for the Motor Manufacturing Industry nor was any parallel organisation created for them. In private, civil servants condescendingly referred to it as an "old fashioned Midlands industry" whose views could be more or less safely ignored. There also seems to have been a degree of antagonism between the occasionally cantankerous Union Director Major Watling and certain Whitehall officials.⁴⁰

38. See reply from the Treasury, unsigned, dated 17 July 1947, to Gibson and Phillips as well as Sangster. Ibid.

39. Internal correspondence contained within PRO T228/420 backs up the industry's complaint with respect to disruption of cross-industry relationships.

40. See, in particular, a minute prepared by 'Hunt', dated 16 January 1946, contained in PRO BT 60/81/6.

An additional factor complicating the status of the motor cycle industry was a renewal of unfavourable press coverage of motor cycle accidents. Although throughout the 1940s motor cycles were welcomed as transport in a economy starved of motor vehicles, public and subsequently government opinion began to turn against the growing number of road fatalities. The growing death rate was a reflection of the fact that there were more and more machines on the road but also, in part, the result of the industry's continuing orientation towards the large, high powered motor cycles.⁴¹

If Britain remained loyal for the most part to these type of motor cycles, the same could not be said about the Continental manufacturers. By 1948, it was becoming increasingly obvious that, starting with Italy, they were well on the way to recovery and making rapid progress with small engined motor cycles. This was part of a continuing trend in Continental nations, which under their post-war conditions, required the cheapest possible motorised transport. Britain was increasingly lagging in the field of the small lightweight capacity motor cycles, a development that was symbolised when an Italian machine won the Lightweight TT race in 1948.⁴²

Yet these warning signs were ignored, the attention of the industry being focused elsewhere. Because of the intense nature of Anglo-German competition before 1939, the British industry was keenly interested in the future state of its German counterpart.

41. Alarmed civil servants noted how motor cycle fatalities had jumped from 741 to 956 between 1950 and 1951 (they had been 959 in 1939) while injuries went from 21,466 to 30,039 during the same period of time. See undated memo, 'Road casualties during 12 months of unrationed petrol, June 1950-May 1951', (no author indicated) contained in PRO MT 108/8.

42. See leading article entitled, 'Lightweights for utility', Motor Cycle and Cycle Trader, 2 July 1948, p.399.

In fact, the question of German reparations takes up a large place in the immediate history of the British motor cycle industry during the post-war era. Despite initial optimism, the efforts of the British industry to benefit from the military defeat of Germany proved to be a story of endless frustration. After several years of repeated appeals to the British government, only one firm was able to take advantage of German technical advances.⁴³

The industry had anticipated access to Germany plants some time before the end of the war, and detailed planning had begun during a meeting at the London headquarters of the Engineering Section of the Foreign Office (FO). Representatives from the Union met with FO officials in June 1945 to discuss a number of related issues. The FO Section's Deputy Director General, E. Harle, explained that the present situation allowed "an opportunity for UK Industry to inform itself as to the development of German Industry - its production - and economic and financial methods." Union members were also informed that, in future, it was to be the policy of the British government to control German industry and any potential export trade "to a very considerable extent", even to the point

43. The Union had already expressed interest in examining captured German motor cycles during the war, see Union Annual Report for 1944, MRC MSS 204/4/3/2 and memo 'Research: Captured enemy motor cycles', dated 27 August 1945, contained in Guardbook MRC MSS 204/3/1/57. This interest was shared by the popular press as well. See 'Captured, examined and tested', The Motor Cycle, 12 April 1945 and 'A day among captured motor cycles' by 'Torrens', ibid, 19 April 1945, pp.272-273. Information concerning the availability of German motor cycle plant was also widely circulated throughout the trade press, see, for example, 'BMW on Reparations List', Motor Cycle and Cycle Trader, 16 August 1946, p.590. The matter of captured German equipment was also discussed among various British industries, see, for example, 'Meeting of Committee on German Reparations', dated 25 April 1946, contained in MRC MSS 200/F/3/S1/21/46, (minutes of the FBI German Reparations Committee).

where it would be maintained at what was described as "something above starvation standard and no more."⁴⁴

For its part, the FO needed the Union to identify specific targets among German industry, in particular which factories, models, technologies and financial information it wanted examined. The Union delegation provided three nominees to serve on joint government/industry investigation teams, as well as naming a number of firms, among them BMW, NSU, and Zundapp, for on-the-spot scrutiny.⁴⁵ These teams were given a mandate to uncover information about the costs of individual factories and, more specifically, how they related to actual export prices in markets such as Holland and India, which had been so successfully penetrated before the war. The teams were also given direction to locate motor cycle models, which were to be "thoroughly examined" with the "patent position" in mind, and to look generally at tariffs, subsidies and "currency manipulation" not just for the motor cycle industry but for light engineering generally.⁴⁶

With Germany defeated and a large section of the country occupied by the British army, the motor cycle manufacturers must have thought that it would be now comparatively easy for this formerly secret information to be made available through the teams.

44. See 'Notes dated 18 June 1945, of a Conference held at Foreign Office (Economic Division) on 14 June 1945 prepared by Major Watling and contained in Guardbook MRC MSS 204/3/1/57.

45. After the aforementioned meeting at the Foreign Office, nominees were initially from BSA, Villiers Engineering and Burman, a gear box manufacturer. However, the team consisted of A.E. Wood, a BSA Executive, Joe Craig, chief development engineer at Associated Motor Cycle Company (previously in the same position at Norton Motors) and C.R.B. Smith of Amal, a leading carburettor manufacturer was selected. Team leader was Captain L.W. Farrer, a senior executive with Villiers Engineering.

46. See 'Notes dated 18 June 1945 ...' op cit. Further details on the industry's expectations of the reparations programme are outlined in memo '1/46. Germany: Economic Control', dated 1 January 1946 contained in Guardbook MRC MSS 204/3/1/58.

However, the practical operation of reparations would become much more difficult - and politically charged - over the following years, than it appeared in the heady weeks after V-E Day.⁴⁷

Cooperation between the British and Americans in this matter had commenced in 1944 in the form of the Combined Intelligence Objectives Subcommittee (CIOS), a group that was subordinated to the Supreme Military Command of the western allies, SHAEF. After July 1945, CIOS was dissolved and replaced by the British Intelligence Objectives Subcommittee (BIOS) and its American counter-part, the Field Information Agency, Technical (FIAT). The United States Strategic Bombing Survey undertook its own study as well.⁴⁸ The Manufacturers' Union had nominees that were among the various BIOS teams which followed up behind combat units as the fighting progressed and commenced rummaging around the remains of factories throughout the western part of the Reich. They also sought out documentary information and arranged interviews whenever possible with the former managers and technicians in order to ascertain details of the pre-war achievements of the German motor cycle industry.⁴⁹

47. The British experience regarding post-war reparations is described in Tom Bower, The Paperclip Conspiracy, London: Paladin Grafton Books, 1987. See also I. Turner, 'British Occupation Policy and Volkswagen' (unpublished Phd., University of Manchester, 1984).

48. See, in particular, memo entitled 'Review of BIOS activities', dated 17 April 1947 (no author indicated), contained in PRO AVIA 46/410.

49. Not all of the managers of German firms were available to meet with BIOS teams. For example, NSU's principal Director Von Falkenhayn, who had led the German motor cycle delegation at the March 1939 Dusseldorf trade talks, was incarcerated in a Heidelberg prison camp on suspicion of war crimes. There is no evidence that he was ever interviewed by BIOS team members. See The German Motor Cycle Industry (in the British and USA Zones of Occupation), BIOS Final Report No. 620. London: BIOS, 1946, p.30.

Notwithstanding professions of inter-allied cooperation in the exploitation of German industry, there arose a growing rivalry not only between the western allies and the Soviets, but also between the British and American investigating teams. By early 1946 the Manufacturers' Union had to admit that it had so far very little to show for the Reparations programme thanks to the actions of its wartime ally. In February it expressed disappointment that certain motor cycle prototype models had not yet been obtained. Reference was made to "unaccountable delays in delivery of [the machines] due it was believed to the action of the US authorities."⁵⁰

The position of the British industry with regard to German motor cycle manufacturers was greatly weakened by the fact that most of the primary factories were either in the Soviet or American sectors. For example, the Americans had prevented British teams from entering a targeted factory in Nuremberg, despite previous agreements allowing them access. When they finally did gain entry, it was only to discover that the motor cycle engines they had hoped to examine had already been shipped to the USA. This was not the only instance of obstruction. At the BMW plant in Munich the remaining German personnel refused a BIOS team entry under American instructions. Nor were the Soviets any more cooperative about allowing access to the DKW plant near Chemnitz in eastern Germany.⁵¹

50. See minutes of a meeting, entitled 'Germany: Economic Control', held in Birmingham of 28 February 1945 between members of the reparations panel and the BIOS teams, contained in Minute Book MRC MSS 204/1/1/19.

51. See memo dated 9 December 1946 entitled 'Germany: Acquisition of Prototype Motor Cycles'. Attached to the memo is a letter dated 20 November 1946 to Watling from Colonel R.H. Bright of the Ministry of Supply which detailed instances of American obstructionism. Correspondence contained in Guardbook MRC MSS 204/3/1/60. Notwithstanding the interference from the Americans, several German motor cycles did arrive in Britain. See memo

Still, despite much frustration, the British persisted. In 1946 a large number of reports had been published by the BIOS covering its investigations into a variety of commercial sectors, including several on the motor cycle industry. These were supplemented by reports from FIAT and the US Strategic Bombing Survey. The reports were widely distributed throughout British industry. There was also a travelling exhibition of examples of representative German equipment, including motor cycles, which visited several British cities during 1947.⁵²

The reports provided little comfort for those in the British industry who wished to attribute the pre-war success of their rivals only to government assistance or to brush off the potential danger of resurgent German competition. True, the reports did confirm the degree to which the Reich government had subsidised individual firms before 1939. BMW, for one, whose pre-war racing successes had so alarmed British manufacturers, had been encouraged by government funding, on the grounds that international competitions were a matter of prestige, worth subsidising "at any cost". It also confirmed, as British manufacturers had suspected all along, the existence of additional subsidies which enabled German motor cycles to be exported at low cost.⁵³

'84/47: Germany: Investigation of Germany Motor Cycles', dated 17 April 1947, contained in ibid and memo dated 26 August 1947 entitled 'Germany: Economic Control: Motor Cycle Components', contained in Guardbook MRC MSS 204/3/1/61.

52. See 'Review of the Exploitation of German Industrial Technical Developments' by E.R. Wood, dated 17 April 1947, contained in PRO AVIA 46/410. The reports ultimately also became public, indeed copies are still on open shelves at the Coventry Public Library. See also 'Supercharged BMW on Show', Motor Cycle and Cycle Trader, 20 December 1946, p.344. The tour visited Birmingham, Manchester and Leeds.

53. See BIOS Final Report No. 654., The German Motor Cycle Industry Since 1938 by S. du Pont. March 1946. pp.1-2. Although this report was published by the BIOS, du Pont was identified as a member of FIAT.

Yet the reports also documented evidence of disquieting technical advances on the part of the Germans, of a nature that could not entirely be written off as the result of surreptitious government subsidies. The state of some of the factories, for instance, elicited grudging praise from the investigators, which by implication, did not always reflect well on the production facilities back in Britain. The German works were described as "well equipped" and "practically all machine tools inspected being modern and of the latest type." These tools were singled out for especial attention, and it was remarked that few of them were belt driven or line shafting models. The conclusion reached was that "as an average, [they were] considerably more modern than that in an average, similar factory in Great Britain."⁵⁴

The investigators also remarked on the presence of apprenticeship schools, which in many cases were attached directly to the factories. Moreover, what was termed an "outstanding feature" of the industry was the high level of standardisation adopted by the Germans, "which is in sharp contrast to the British Motor Cycle Industry". This had been accomplished as a result of a conscious policy of the Reich government, implemented and supervised by the military. This meant that the various firms, in stark contrast to the practice followed in Britain before and after the war, each manufactured a limited range of models.⁵⁵

It was this policy, it was suggested, that had been the foundation of the German export success. Standardisation had given

54. Ibid.

55. Ibid. The various reports were reviewed in some detail by the popular, enthusiasts' press. See, for example, 'Experts Examine and Analyse German Industry', The Motor Cycle, 7 November 1956, pp.356-359, 'German Manufacturing Methods', ibid, 17 July 1947, pp.50-51 and 'US Investigation of the German Industry', ibid, 30 January 1947, pp.88-90.

them "considerable manufacturing economies" allowing for a "large proportion" of factory equipment to be single tooled and provided continuous production. This was the formula which enabled them produce the large numbers of cheap, small capacity machines which had so bedevilled British exporters.⁵⁶

The reports contained many admiring references about German research establishments. Especial note was made of the "close relationship" between the universities and the motor cycle industry.⁵⁷ Whether or not this was a root cause of higher German motor cycle sales was not stated, but the investigators did concede that in general, "we should judge that the 'average' German motor cycle was of a cleaner and more pleasing appearance than the average British motor cycle." This was telling criticism, authored as it was by some of the leading figures in the British industry.⁵⁸

Despite these positive reports about the achievements of the German industry, which carried an implicit message that British

56. See BIOS Final Report No. 654, op cit.

57. In contrast, the only formal link created between the motor cycle industry and British academic institutions, for the purposes of promoting general research, was a scholarship in motor cycle engineering which had been created in 1925 at the University of Birmingham in memory of the recently deceased James Norton, founder of Norton Motors. A copy of the Trust Deed for the Fund is attached to memo 'James L. Norton Memorial Fund', dated 18 August 1926, contained in Guardbook MRC MSS 204/3/1/14. Little, however, is known about the activities of this scholarship after its establishment.

58. See BIOS Final Report No. 620, op cit. However, a dissenting view of the German industry was prepared by R.B. Douglas, a Canadian on secondment to the BIOS. He thought that German manufacturing techniques were between five and eight years behind those practiced in Canada or the US. See BIOS Final Report No. 1318. Item No. 19. Manufacturing Methods in the German Motor Cycle Industry. London: BIOS, 1946. Douglas' analysis is backed up by J.M. West, a member of BMW's British sales staff, who had visited the company's factory before the war. West found some German motor cycle engineering practices "primitive" compared to the British. He considered the factory to be highly labour intensive, with work conducted at a leisurely pace: "no one seemed to hurry." See J.M. West interview, 23 November 1994.

manufacturers would have much to gain from the reparations programme, the Union's leadership ultimately arrived at a very different conclusion. In April 1946, Union Director Major Watling wrote to manufacturing members informing them that, from what he could gather from the BIOS reports, there was not any plant or machinery in Germany worth acquiring. No explanation was provided for this interpretation, which appeared to be so at variance with what the reports concluded, nor is it easy to understand why Watling so easily dismissed these reports. It may well have been, in light of the lack of cooperation from the other two occupying forces, there was little else Watling or the industry could have done. He did, however, agree that there were "a number" of new and/or experimental motor cycle engines that should be examined. He also expressed hope that BMW's factory research and racing records would be open for perusal by Union members.⁵⁹

There is another possible explanation for the failure of the British motor cycle industry to fully exploit the possibilities offered by the Reparations Programme. According to Ministry of Supply personnel, upon querying the industry about its lack of interest in acquiring the latest in German motor cycle technology, the Union had replied that it had no future plans to make any "bids for plants." Under current circumstances, the Ministry had been informed, the industry "considers there is adequate capacity already in the UK for production needs."⁶⁰

59. See Watling's memo of 11 April 1946 entitled '82/46: Germany - Economic Control', contained in Guardbook MRC MSS 204/3/1/58.

60. See 'Summary of Ministry of Supply approaches to Trade Association regarding Reparations', [no date but probably late 1946], contained in PRO BT 211/504. According to J.M. West, who was AMC's Sales Manager at the time, his company did not place any reparation bids on the grounds that the Board of Directors believed there was simply nothing of interest worth obtaining from Germany. See J.M. West interview, 23 November 1994.

Shortly thereafter, Major Watling produced an unpleasant surprise to those manufacturers who had hoped that German competition was now a thing of the past. Watling wrote that he had been recently informed that the Allied Control Commission was now considering the "resuscitation of the German motor cycle industry", albeit only to the total of 10,000 machines per year and even then with capacities restricted to no more than 250cc. Watling further reported that when he had questioned the policy, he had been informed by an unnamed Board of Trade official that this was a decision based on hard headed practicality. If left de-industrialised, he had been told, Germany was in danger of becoming "a 'slum' nation in the midst of plenty". Limited production, on the other hand, would "allow Germany to earn sufficient foreign exchange to keep her in a reasonably contented frame of mind." Hence, the reparations programme would be cut back.⁶¹

As it was, only BSA was to benefit from German technological advance to any appreciable extent. Thanks to the reparations programme this company gained the rights to the design as well as the tooling for a DKW 125cc model. This machine was thereupon renamed the 'Bantam' and proved to be the cheap lightweight machine the company had earlier sought to produce on its own. Moreover, it was acquired virtually without any research and development costs.⁶² The circumstances under which BSA acquired the Bantam are unclear, if not mysterious. No mention of the sale is contained in

61. See Watling's memo of 24 April 1946 entitled 'Germany: Economic Control' contained in Guardbook MRC MSS 204/3/1/58. See also 'Report for the Directorate' (nd), contained in MRC MSS 200/F/3/S1/21/46.

62. See Ryerson, *op cit*, pp.93-94 and Jeff Clew, *BSA Bantam*, Sparkford: Haynes Publishing Group, 1983, pp.5-9. According to John Balder, then in BSA's Service Department, the company only used the DKW engine. See Balder interview, 18 November 1994.

either the Board of Directors Minute Books or in any other surviving company documents.⁶³ Nor is there any explanations to be found in government records. Nonetheless, after 1948, when the 'Bantam' was first available for export, BSA enjoyed a big advantage over other manufacturers. In fact, this model would subsequently become the single most successful 'British' motor cycle of all time.⁶⁴

In the meantime other plans went ahead. Foremost among them was the direction of the export drive. It would be determined by, firstly, the ability of consumers in a particular market to afford to buy British made motor cycles and, secondly, to the inclination of various foreign governments to accept the free import of these machines into their countries. By the end of the decade the British motor cycle export drive had scored some notable successes although disturbing signs were appearing of a repetition of the closure of markets that had so disrupted the export trade in the 1930s, a development to be examined in a future chapter.

The problems did not always originate overseas. In early 1946, the Union was informed that domestic control over the industry had passed from the Board of Trade to the Ministry of Supply (Engineering Industries Division). For Union Director Major

63. By contrast, there is mention made of BSA's purchase of the plant and equipment of the German machine tool maker Index-Werke, procured through the Ministry of Supply in March 1947. See agenda item 9953, Board of Directors meeting of 20 March 1947, contained in Directors' Minute Book No. 14., contained in MRC MSS 19C/19. The Index-Werke acquisition is also mentioned several times in correspondence contained in the surviving papers of 'Paddy' Hannon, then BSA's Deputy Chairman. See, for example, Hannon-Docker, 10 December 1948 (Box 32, Folder 1) and Hannon-Docker, 20 August 1947, MacLaren-Hannon, 5 September 1947, and MacLaren-Lord Woolton, 31 January 1947 (Box 32, Folder 2), all contained in Hannon Papers.

64. Harley-Davidson also used the same design for its so-called lightweight 'Hummer', similar in many respects to the Bantam. See Sucher, op cit, p.194 and 'Harley-Davidson 125cc' The Motor Cycle, 8 January 1948, pp.32-33.

Watling, who had, among other things, represented the industry with government departments since 1919, this was an unwelcome development. He feared that the new supervision would be "more rigid and inelastic" than the Board of Trade's had been and that greater demands would now be placed on individual firms with respect to producing statistical information relating to their manufacturing programmes and development plant for both home and export markets. This information, Watling had been informed by the Ministry, was necessary to enable it to help with "bottle-necks" in labour and materials supplies. Government officials had also told Watling that, now the Essential Works Orders were abolished, new methods would have to be developed for directing labour into the industry.⁶⁵

Watling was not alone in this jaundiced view of the Ministry. BSA's Brotherton, for example, was equally unhappy over the transfer of jurisdiction from the Board of Trade to the Ministry of Supply. He did not relish having to deal with it over supplies of materials such as chrome. He also expressed scepticism over its ability to reconcile the differing needs of small, medium and large firms, whose interests he observed, were "somewhat at variance." In his opinion, labour, or rather the lack of it, was identified as the chief "stumbling block", preventing the production outputs which would satisfy Chancellor of the Exchequer Cripps' export targets. Brotherton noted, in common with other industry executives, that the first priority should be the expansion of the home market, which would then be the foundation of a successful export trade. It would be, however, as he sourly observed, "too

65. See letter, Watling to Sangster, dated 19 February 1946 entitled 'Bicycle and Motor Cycle Industry: Government Control', contained in Guardbook MRC MSS 204/3/1/58.

much to expect some of the academically-minded gentlemen in the government to understand this very salient point."⁶⁶

Nonetheless, the industry was willing to continue to cooperate with the government's export targets but, as they informed an FBI Special Conference held during the spring of 1946, certain problems would first have to be addressed. Three in particular exercised Major Watling: difficulties calling up key workers, especially tool makers, complications involved in getting licences to extend existing buildings and, what Watling called the generation of "unnecessary statistics" should all be sorted out without delay.⁶⁷

The materials situation not only failed to improve but began to seriously deteriorate at this time. At a meeting of the Group Management Committee for the Bicycle and Motor Cycle Industrial and Export Groups (a carry over from the wartime organisations) members heard a glum assessment from Major Watling about the prospects for 1947. A report had been received from the Ministry of Supply which envisioned a 50 per cent reduction in the manufacture of steel products.⁶⁸

This bad news was quickly followed by word that the steel shortages which had been plaguing the industry for all of 1946 would continue and would "seriously affect" distribution, forcing the Ministry of Supply to much reduce existing materials allocations.⁶⁹ At this rate, the industry's self-imposed target of 500,000 machines a year was not going to be achieved for some time

66. See memo from Brotherton, distributed to all members of the Bicycle and Motor Cycle Industrial and Export Groups, dated 4 March 1946, contained in ibid.

67. See memo from Watling dated 5 April 1946, entitled 'Development of Overseas Trade', contained in ibid.

68. See agenda for the Council meeting of 18 December 1946, contained in Guardbook MRC MSS 204/3/1/60.

69. See memo entitled 'E.G. 2/47: Rationing of Material - Period 11/1947', dated 1 January 1947, contained in ibid.

to come, if ever. Then came the power cuts over the winter of 1947, which shut several factories down completely and put severe restraints on those which were able to keep operating.⁷⁰

The continuous shortages experienced by the industry, which cut across all manufacturers in Britain that year, caused the Union to consider whether or not to stage a Show that autumn. Because conditions had been so unsettled since 1945, there had yet to be a post-war Show (the last had been held in 1938) and many looked forward to an opportunity to get the widest possible publicity for the various new lines of motor cycles which would be symbolic of British recovery.

A meeting of the Union's Council dealt with this question. Most of the industry's senior managers, including Donald Heather, Eric Barnett, Bertram Marians and Jack Sangster among others, were present. Those in favour noted that, even if the materials shortages meant they could not supply their distributors, the Show would still give them an opportunity to explain their problems personally. Far better, it was said, to meet the trade face to face rather than "continually send out letters of regret."⁷¹ Manufacturers could also renew their overseas contacts, disrupted by the many years of war, and the presence of different marques could only stimulate manufacturers to improve their quality and specifications. Not the least, it was argued, the Show was a prestige event and, after all, the current 'sellers' market' would not last forever. The Show would proclaim the fact that, despite

70. There was a great deal of interest in how the industry was faring under the crisis conditions caused by the fuel shortages. See for example, 'The Industry Restarts', 14 February 1947, The Motor Cycle and Cycle Trader, pp.662-663 and 'At the Factories' The Motor Cycle, 6 March 1947, p.151.

71. See minutes of Council meeting of 21 October 1947, contained in Guardbook MRC MSS 204/3/1/60.

all the problems, "Great Britain is getting on her feet again, and is not falling behind other countries."⁷² The arguments against were that, given the inability to deliver orders, staging the Show would be potentially "embarrassing" for the manufacturers.

Moreover, members were reminded that at present, none of them had anything new to display. Hence better to delay another year when circumstances would probably improve. The Council voted closely not to proceed.⁷³

There was to be no abandonment of general publicity. Overseas distributors were informed that the Show had been cancelled for what were tactfully termed "production difficulties". However, they were assured, the much anticipated TT races would go ahead on schedule. As one trade journal put it: "No other motor cycle races have ever captured the heart of the enthusiast like the TT, and successes in them have made the names of British machines known wherever motor cycles are ridden."⁷⁴

Several months later, the steel situation had further deteriorated. Manufacturers were bitter over the fact that, although they claimed to be willing and able to expand production, material shortages were blocking the way. In a brief to the Minister of Supply, the Union stated that they should receive "special consideration" because of their high export potential and the fact that they could earn a disproportionately higher return of foreign currency than other steel consuming industries. The Minister was reminded that, if in the past British motor cycles were "pre-eminent" in the post-war era they were now "supreme" and

72. Ibid.

73. Ibid. It was remarked that most of the 'no' votes came mainly from motor cycle makers, although Gilbert Smith (Norton) and Frank Smith (Royal Enfield) did vote 'yes'.

74. See 'No show this year', Export Trader, February 1947, p.11.

that demand "from all over the world was enormous."⁷⁵ Even having suffered from the materials cuts, the Union insisted, British motor cycle production increases were remarkable, especially when compared with pre-war figures. On a best monthly basis, they argued, the optimum total the industry had achieved before 1939 was 2,120 during 1937. This had jumped to 6,650 in May 1946, the best post-war month so far.⁷⁶ This performance could be easily outdone if only the industry was given sufficient supplies.

The worst was yet to come. In the summer of 1947 the government, in the interests of preserving scarce dollar reserves, abolished the basic petrol ration. This decision appalled members of the Union. True, Britain had to protect its economy and international position, but this measure, they insisted, was far too draconian. The manufacturers deplored the fact that the ration cut would now prevent the conduct of motor cycle sports such as racing and trials events. These, they stated, were essential for maintaining public interest in the industry at home and also out in the export markets. Not only would removal of the basic petrol ration strangle the Home market but it would cut to nothing the industry's beloved sports programme. One member went so far as to stress its importance to the industry by way of a parallel between the racing machines and horse racing as well as "the exports of blood stock."⁷⁷

75. See memo from Watling to members of the Group Management Committee, dated 12 February 1947, attached to which is a second memo entitled '1947 Production Programme - Case against a Steel Cut for the Bicycle and Motor Cycle Industries', contained in Guardbook MRC MSS 204/3/1/59a.

76. Although not stated, presumably this would only apply to production totals after 1930. See *ibid*.

77. Minutes of the Motor Cycle Manufacturers' Section meeting of 26 September 1947, contained in Guardbook MRC MSS 204/3/1/61. See also editorial entitled 'Petrol cut may increase export prices', The Motor Cycle and Cycle Trader, 12 September 1947, p.722 and

In mid-September, Norton Motors Managing Director Gilbert Smith led a delegation on behalf of the MAA (Motor Cycle Section) and related organisations to meet Prime Minister Attlee and protest the petrol ration cut. The Prime Minister was warned of the disruptive effect of the move on the home market, not only among consumers but the retail trade as well. The critical importance of motor cycle sport was emphasised yet again. C.A. Lewis, secretary of the British Motor Cycle Racing Club, told Attlee that the industry's exports were "to a surprising extent" based upon race track victory, primarily as publicity. "Our successes", Lewis said, "have demonstrated in a way that no catalogue could, the good qualities built into these British machines. Racing and competitive events", he added, "are the backbone of the motor cycle industry and the backbone of these events is the basic petrol allowance." Attlee's response was not recorded.⁷⁸

Continuing sporting events were not the only reason why motor cyclists should continue to receive petrol. After all, the industry claimed, once personal motorised transport was put out of action, unbearable pressure would be placed on bus and tram service as well as the railways. With their higher fuel efficiency, especially with the light weight machines, surely motor cycle use for regular commuters should be maintained not eliminated? The Union resolved to enlist the help of the RAC and to lobby Labour Party MPs. Prudently, it was agreed to petition the government to at least allow "a general and modest" basic ration for all motor

'Manufacturers condemn petrol cut', The Motor Cycle, 4 September 1947, pp.178--179.

78. See 'Petrol cut may last for nine months', The Motor Cycle and Cycle Trader, 26 September 1947, p.788.

cyclists, rather than make a case for a special allocation for sports events.⁷⁹

As it had before the war, the industry played on the theme of the contribution of motor cycles to the general well-being of the nation, as cheap and efficient personal transport, which particularly benefited working people. However, its inclination to emphasise the use of the big sports machines was never really sidelined. When the occasion demanded, the industry insisted over and over that its products were designed for everyday use, and indeed this argument was the essential premise of its case for tax reform.

Yet, enormous energies were spent to protect and promote professional racing events. In the final analysis the industry always seemed to fight the hardest, and to place the greatest emphasis in its dealings with the government, on issues that touched on the use of their cherished high powered sports motor cycles. As one critic noted at the time, the result was a major diversion of resources away from developing small, utility oriented machines.⁸⁰

This predilection can be illustrated by the campaign the industry waged over 1947/1948 for the re-opening of the Donington Park race track. Prior to the war it and Brooklands (the latter, a track near London, was taken over for military purposes after 1939 and was never restored to its original use) were the prime locales for racing in England. After 1945 Donington continued to be used by the armed forces as a storage depot, much to the chagrin of the motor cycle industry, who claimed that there was now no proper

79. See *ibid.* The petrol ration was partially resumed in April 1948, see 'Petrol ration restored' *ibid.*, 23 April 1948, p.84.

80. See 'The Motor Cycling Outlook' by Francis Jones, *ibid.*, 2 January 1948, pp.382-383.

facilities for race testing. This was, it was maintained, not simply a matter of the industry indulging the whims of enthusiasts. At issue, so Major Watling explained in a letter to the Parliamentary Private Secretary to the Secretary of War, were solid commercial interests, specifically the continuing ability of the industry to maintain the export trade. According to Watling, future success in world markets was contingent on maintaining Britain's reputation as the leading manufacturer of the big displacement sports motor cycles.⁸¹

Watling warned those in government circles that it was "not always appreciated" that this success "can only be based on ... [the] unique record of successes against the best machines which the Continent can produce." As usual, the government was cautioned that the export trade was sustained by a "satisfactory Home Trade." This, in turn, could only be as good as there were "models produced of a character approved both by Home and Overseas riders." If they were to remain competitive, the machines in question needed to be properly tested on a track like Donington, which would allow them to be pushed to their full potential.⁸²

This letter was followed up by a brief sent out on 11 February 1948 to the Interdepartmental Committee on Services' Land Requirements. The value of Donington was hammered home yet again. It was an ideal track since it incorporated sections with "suitable high speed stretches, followed by abrupt turns and changes of gradient where it is possible to test almost to destruction every important element which goes into the design of the modern motor

81. See Watling's letter to the Parliamentary Private Secretary, dated 22 December 1947, entitled 'Donington Park', contained in Guardbook MRC MSS 204/3/1/62.

82. Ibid. The letter was also copied to the editors of The Motor Cycle and Motor Cycling as well as to the RAC and the MAA.

cycle." Without Donington reopened, there was simply nowhere else in Great Britain for testing and the manufacturers would be forced to seek alternatives on the Continent. Nor was the Motor Industry Research Association (MIRA) track at Nuneaton suitable. What overseas buyers wanted was "an exceptionally high efficiency engine" and what might be sufficient for motor car testing was not enough for the kind of performance and high speed required by the typical motor cycle. The MIRA track might be suitable for the requirements of the motor car industry but only Donington fully met the necessary specifications of motor cycle manufacturers.⁸³

At great effort, the Union was ultimately successful in having Donington restored to its original function, thanks in part to the intervention of BSA Deputy Chairman Patrick Hannon, who was also an MP.⁸⁴ The episode does raise some questions about the consistency of their stance on other related matters. It seems to fly in the face of the arguments they used with the Treasury about taxation, specifically the point made about revising rates to encourage the use of cheaper, small displacement motor cycles. It is unclear how use of the Donington track, used almost exclusively for the larger racing machines, could do anything to promote the use of smaller, less powerful motor cycles.

When it came to issues like enlarging the export trade and seeking to open up new markets, the government and the industry worked in reasonable harmony, without an undue degree of

83. See brief entitled 'Donnington: The Motor Cycle Industry's Case', dated 11 February 1947, contained in Guardbook MRC MSS 204/3/1/62.

84. Mention of Hannon's intervention on behalf of the industry with the Ministry of Supply is mentioned in the minutes of the Motor Cycle Manufacturers' Section meeting of 9 April 1948, contained in ibid.

friction.⁸⁵ There may have been frustration over steel allocation cuts and petrol rations but, once restored, the industry's production rose and the tension abated. In two areas, however, retail price maintenance and production efficiency, the Labour government's initiatives created a serious breach between it and the manufacturers as well as stirring up considerable debate within the industry.

The industry was very sensitive about retaining its ability to control the minimum price level at which motor cycles could be sold to the public. It lay at the heart of the Union's complex network of trading agreements which have already been summarised in chapter one. In late 1947 the Board of Trade created a Committee on Resale Price Maintenance (popularly known as the 'Jacob Committee' after its chairman) to investigate the status of such arrangements throughout British industry.⁸⁶

Alarmed, the Union's Council discussed this development during its first meeting of 1948. Major Watling informed members that he had been told that the purpose of the Committee was to determine whether or not resale price maintenance should be either prevented or regulated, in the interests of the "maximum economy and efficiency in the production and distribution of goods." As far as

85. In fact Stanford Cripps had been invited by the Manufacturers' Union to open the 1948 Show, although he declined the opportunity and was replaced by Field Marshall Bernard Montgomery. See minutes of the Show Catalogue Committee of 23 July 1948, contained Union Minute Book MRC MSS 204/1/1/2. The Union Council subsequently invited Minister of Supply G.R. Strauss, President of the Board of Trade Harold Wilson, Minister of Transport T. Barnes and, no doubt to ensure the appearance of political evenhandedness, former Foreign Minister Anthony Eden. However, only Eden seems to have actually attended the Show. See minutes of the Council meeting of 28 September 1948, contained in *ibid.*

86. The issue is touched upon by Helen Mercer, 'The Monopolies and Restrictive Practices Commission, 1949-1956: a study in regulatory failure', contained in G. Jones and M. Kirby (eds) Competitiveness and the State, Manchester: Manchester University Press, 1991.

Watling was concerned, this issue had already been thoroughly examined by the Board of Trade Committee on Restraint of Trade (the 'Greene Committee') in 1930.⁸⁷ Indeed, he had appeared before that committee and believed its findings had vindicated the Union's trading agreements. Watling thought that the intent of the Jacob Committee was to examine "whether unnecessary numbers of people were being attracted into the Retail Trade and its high profit margins." The Council thereupon gave a mandate to Watling to defend the Union before the Committee.⁸⁸

In July 1948 Major Watling appeared before the Jacob Committee to answer questions about the Union's policies regarding prices and other internal matters, an experience which led to occasionally acrimonious exchanges between the parties. In a wide-ranging enquiry, committee members probed a variety of aspects of the relationship between the manufacturers and their distribution network. Under pressure, Watling was adamant in his defence of the Union's Trading Agreements and their importance in underpinning the prosperity of the entire trade.⁸⁹

In a reply to a question from Jacob himself, which queried whether, failing the manufacturers' control, if prices were left to freely find "an economic level", this would necessarily lead to disaster throughout the industry, Watling was unequivocal. He

87. See Council meeting minutes for 20 January 1948, contained in Guardbook MRC MSS 204/3/1/62. The Greene Report, officially entitled Restraint of Trade, Report of the Committee appointed by the Lord Chancellor and the President of the Board of Trade to answer certain Trade Questions, London: HMSO, 1931 (Chairman, Wilfred A. Greene, KC) mentions price maintenance schemes in practice in the motor cycle industry on p.7. and p.9.

88. See Council meeting minutes of 20 January 1948, op cit.

89. A copy of the full verbatim transcript of this hearing, entitled 'Minutes of evidence taken before the Committee on Resale Price Maintenance, July 1948', is contained in BT 64/540, file 376/1949.

stated that resale price maintenance "was the best method of ensuring equity for all sections of the trade, and for the public." There was, he insisted, no "price ring" in place. Quite the contrary, the trading agreements were necessary, to protect prices, in times of what he termed both "excess" supply and demand.⁹⁰ Under relentless questioning from Jacob, Watling conceded that, although he claimed the discount provided to dealers was negotiable, in fact it was fixed at 20 per cent. This was administered irrespective of the number of motor cycles sold, on the grounds that it promoted fairness among the dealers geographically dispersed throughout Britain.⁹¹

Asked to provide an example of how the industry's trading agreements directly benefited the public, Watling suggested the manufacturers' newly instituted free after sales service was a good example of good corporate citizenship. Provided by dealers after 500 miles use, Watling claimed this had been created in the public interest and was covered by existing profit margins. Jacob was sceptical. In his mind, it "applies a standard to the purchasing public which comes as a surprise to me." Nor, under further questioning, could Watling document instances of owner misuse that would justify the service. Instead, he stressed the importance of the good name of the industry, "the finest reputation in the world."⁹² Jacob was equally sceptical about Watling's repeated claim that the agreements benefited all concerned. The fact that they were administered by manufacturers and retailers did not appear to work in the common interest. It was a case, he commented, that "if only the public were represented, it would

90. Ibid, pp.5-6.

91. Ibid, p.6.

92. Ibid, pp.8-9.

include everybody." When Watling protested that there was nothing in the agreements which "adversely affects the interests of the public," Jacob retorted that "I suppose that must be really a matter of opinion."⁹³

The Committee's final report outlined the factual circumstances of these trading arrangements.⁹⁴ No action on behalf of the government followed, perhaps because it was already pre-occupied enough elsewhere and wished to avoid a full-blown battle with industry over the issue of prices and internal agreements. At around the same time, the Union responded to a query from the Chancellor of the Exchequer to the FBI about a programme to limit prices and profits. The FBI had, in turn, begun to contact its members to ascertain their views on the subject. The Union's Council adopted a firm position in opposition to this initiative, on the grounds that it was simply impracticable to control retail prices. The Council did, however, say that it was prepared to advise its members to fix their prices at the current levels, so long as production and distribution costs outside of their control remained unchanged.⁹⁵

Indeed, the Council proceeded to formulate counter-proposals of its own. The industry might cooperate with a government prices and profits programme, but only if it also addressed some other, purportedly related issues. These included a general increase of working hours throughout industry, a reduction of government expenditure and the subsequent release of redundant civil service

93. *Ibid*, p.9.

94. A copy of the Jacob Committee's report was published in the Motor Cycle and Cycle Trader, see 'Price Maintenance Criticised', 17 June 1949, pp.446-449.

95. See memo, dated 4 March 1948 and entitled '68/48: Prices and Profits', contained in Guardbook MRC MSS 204/3/1/62.

workers to industry, as well as sponsorship of a campaign against "damage, theft and pilferage" in the workplace, although the latter had not been previously referred to as a major problem faced by the industry.⁹⁶

The prices and profits campaign may never have reached fruition, but it was to be followed shortly by another initiative. In the autumn of 1947, the Union heard of a government proposal that threatened to seriously compromise what the motor cycle manufacturers considered to be their untrammelled right to manage their enterprises as they best saw fit.⁹⁷ Watling had been advised by the employer members of the Ministry of Supply's Engineering Advisory Council that the Minister was concerned that every effort to ensure maximum production efficiency be exercised. He was convinced, Watling was told, that there was currently "scope for improvement". As the Major reminded Union Council members, if not enough progress was attained, the Ministry had the power to create a Development Council to see that it was.⁹⁸

96. Ibid

97. As late as September 1947 Watling had reported to the Union's Motor Cycle Manufacturing Section that, although he was aware of negotiations between the government and the motor car industry with respect to a programme to standardise automobile models, he did not think there would be any plans "to interfere with the production plans of the motor cycle industry." See minutes of the Motor Cycle Manufacturing Section of 26 September 1947, contained in Minute Book MRC MSS 204/1/1/20.

98. Memo from Watling to manufacturing members, dated 2 October 1948, entitled '320/48: Production Efficiency', contained in Guardbook MRC MSS 204/3/164. Some time earlier, Sir Godfrey Ince, Permanent Secretary to the Minister of Labour, had given a speech to the Institute of the Motor Industry. He had called for higher productivity, despite the general labour shortage. The trade journal which reported the speech, drew its own conclusions for the motor cycle industry: "in order to ensure maximum production ... manufacturers must use every possible aid to production in the direction of equipping their factories with the latest in machine tools, brazing and welding apparatus and plant." The journal was certain that what it termed as the "wiser executives" were already aware of this fact and would act accordingly. See editorial

The Union's leadership resented this level of examination of the inner workings of its members' factories. There was, it claimed, already a high level of cooperation within its ranks, not only among top level managers when the Union's Council and the Motor Cycle Manufacturers' Section convened, but also through proceedings of the Technical Committee.⁹⁹ This Committee thought its work would stand well in comparison to its motor car industry counterpart. It had, it was claimed, been active for over 20 years and in that time "undoubtedly eased production problems by the issue of numerous recommended Data Sheets."¹⁰⁰

Later in the month, the Union's Assistant Director Hugh Palin, reported to the Council that he had met with employer members of the Engineering Advisory Council, who had assured him that, failing more productivity from the industry, the threat of an imposed Development Council was a definite prospect. This may or may not have been a realistic assessment of ministerial intentions, but the Government's initiative precipitated the most wide ranging debate from within the motor cycle industry that had ever taken place, or would occur prior to the final collapse in 1975.¹⁰¹

entitled 'Modernising the Industry', Motor Cycle and Cycle Trader 17 January 1947, p.469.

99. See ibid. Evidently, there were still war-time type Joint Production Councils functioning in at least one motor cycle factory. In late 1948 G.R. Strauss, Minister of Supply, went to AMC's Woolwich factory and met with with members of its Council. See 'Minister of Supply at AMC', Motor Cycle and Cycle Trader, 8 October 1948, p.21.

100. See minutes of the Motor Cycle Technical Committee meeting of 8 December 1948, contained in the Minute Book MRC MSS 204/1/1/21.

101. See minutes of the Council meeting of 28 October 1948, contained in Guardbook MRC MSS 204/3/1/64. The larger question of the Labour Government's efforts to reform British industry during the late 1940s is covered Nick Tiratsoo and Jim Tomlinson, Industrial Efficiency and State Intervention, Labour 1939-1951, London: Routledge, 1993, pp.144-145 and pp.167-168 and Jim Tomlinson, 'A missed opportunity? Labour and the productivity problem, 1945-51' contained in G. Jones and M. Kirby (eds), Competitiveness and the State, Manchester University Press, 1991.

The Union's line, that it was already doing enough to promote production efficiency without additional governmental prodding, did not take long to fray. Major Watling reported to the Council that he had attended a meeting sponsored by the FBI, which had been addressed by motor car manufacturer William Rootes, who had explained how the SMMT had been promoting production efficiency in his industry. Not only did they encourage managers to visit each others' factories, but there were plans maturing to ensure a greater interchangeability of accessories and components.¹⁰²

This news provoked further debate during the Union's governing Council meeting of December 1948. President George Wilson asked members what action they should take in response to the Minister's initiative, in case they were asked to account for their actions later on. The responses to his query showed that not everyone thought the industry was doing enough. Donald Heather, Managing Director of AMC, spoke out first in what would turn out to be the majority view. He dismissed Rootes' advice as irrelevant to their industry. There was, in his mind, a "fundamental difference" between the two industries. In particular, Heather noted the "complete contrast" in their relative international standings: the American motor car industry dominated the world yet American motor cycle makers looked to Britain for new designs and lagged far behind in terms of production.¹⁰³

BSA's Cycle Division Managing Director James Leek did not directly dispute Heather's assertion. He did, however, say that there was some aspects of the SMMT's programme that could be

See also Scott Newton and Dilwyn Porter, Modernisation Frustrated, London: Unwin Hyman, 1988, pp.101-119.

102. See minutes of the Council meeting of 14 December 1948, contained in Guardbook MRC MSS 204/3/1/64.

103. Ibid.

emulated to their own benefit. He observed that its internal committees were composed of fairly high level staff - often the heads of firms. The Union's Standardisation Committee, in contrast, was made up of designers and drafting room personnel, who did not have any substantial influence over company policy.

Triumph Chairman Jack Sangster agreed with Leek and explained that he did not believe the Union's committees really touched on what he termed the industry's "real problem". It might be true that the industry operated reasonably well, yet "we must be prepared to do everything possible to make ourselves even more efficient."

Sangster and Leek, however, did not represent majority opinion among the industry's leadership.¹⁰⁴

Still, this was not an issue that could be sidestepped by the Union for very much longer. Looming behind the rhetoric was the danger of direct government intervention. In late January 1949, the Union issued an internal position paper which outlined a possible strategy. There were, it said, two aspects to the problem: first, the matter of production efficiency at the level of the individual factory; and second, improvements which could be gained at the industry level through more inter-firm cooperation and general standardisation. Yet, in terms of concrete action, the Union does not seem to have done much to encourage such internal cooperation amongst its membership. Indeed, its virtually sole accomplishment in this matter was to have distributed an FBI booklet on 'Standardisation'. By January 1949, only one member had

104. Ibid.

made an enquiry on the subject and that had already been referred back to an outside research group.¹⁰⁵

Despite earlier scepticism expressed about following the example of the SMMT, attention was drawn to the continuing achievements of its Production Efficiency and Standardisation Committee. Much useful information, it was claimed, had been exchanged during its regular monthly meetings. These meetings also facilitated discussions to further the use of common accessories and components and the pooling of technical information such as blueprints and the peculiarities of jigs and tools. The committee sponsored factory tours and encouraged the secondment of technical staff to help out suppliers. Surely the motor cycle industry could learn something from what the motor car industry was doing.¹⁰⁶

At the January 1949 Council meeting, Union President Wilson commenced discussion on the necessity of forming a special committee having had the benefit of attending an FBI Conference on Production Efficiency held the previous month. He was convinced that the government expected "some positive action by the Industry" and it was not enough to simply expand the jurisdiction of their existing Standardisation Committee. What was now needed was an entirely new committee, with a membership drawn from the highest levels of the industry. In this he was supported by BSA's James Leek who believed it was now "essential" to take quick action.

In Leek's opinion, although it might be true that the industry was currently the unchallenged world leader, this condition could not last forever. Now, "everything must be done to preserve this

105. See memo authored by Union Assistant Director Hugh Palin, dated 20 January 1949, entitled 'Production Efficiency' contained in Guardbook MRC MSS 204/3/1/64.

106. Ibid

position as there would undoubtedly be difficult days ahead" as their overseas competitors recovered from war damage. He implicitly agreed with the Minister in thinking that the industry "offered considerable scope for work to eliminate unnecessary overlapping."¹⁰⁷

Wilson and Leek received further support from Jack Sangster but it was soon apparent that the majority of the Council did not share their enthusiasm for this project. Not only was there considerable disagreement about what exactly needed to be improved but there existed a strong sentiment that, after all, their industry was internationally supreme, had been for as long as any of them could remember, and there was no reason to suppose that it would not remain so well into the future. Moreover, it was evident that the majority of those present were irritated that the government should implicitly question their competence and skill as managers and business men. Who were they to criticise those who oversaw such a successful export industry?¹⁰⁸

Nonetheless, members bowed to the inevitable by forming a Production Efficiency Committee of their own. It was composed of the most senior members of the industry, including George Wilson (a bicycle company executive), Jack Sangster, Gilbert Smith, James Leek and Donald Heather among others. There were also senior representatives from component makers such as Villiers Engineering and Dunlop Tyres. Yet, this decision was in a sense a deceptive sign of the industry's resolution to face up to the vital questions of how to improve its overall efficiency. In fact, the Union's

107. See Minutes of the Council Meeting of 18 January 1949, contained in ibid.

108. Ibid.

Council as well as the newly formed Production Efficiency Committee remained deeply divided on the issue.¹⁰⁹

With this lack of common purpose, the potential effectiveness of the Committee was already seriously compromised even before its first meeting on 7 February 1949. At the top of the agenda for the Committee's consideration was an invitation to the Union from the Anglo-American Council on Productivity to send teams to the US in order to study the latest production methods. During the meeting, the invitation was rejected out of hand, although BSA's James Leek again spoke out in favour of more preparation on the part of the motor cycle industry and stressed the need to modernize and anticipate resurgent foreign competition.¹¹⁰ For Leek, the status quo was not good enough any more. He warned the Council that "it was dangerous for the Industry to be complacent about their efficiency." He also advocated industry standardisation with respect to certain components such as hubs and front forks.¹¹¹

However, Leek again represented a minority viewpoint. AMC Managing Director Donald Heather, speaking for the majority, thought that launching a rationalisation drive within the industry was actually a threat to the continued prosperity of the industry. Too much standardisation, for example, would he said "prejudice the individuality of each manufacturer, and would undermine the present proper competition" among them. It was the need for robust

109. Ibid.

110. See memo prepared by Hugh Palin to the members of the Production Efficiency Committee, dated 26 January 1949, contained in Guardbook MRC MSS 204/3/1/64. The minutes of the Production Efficiency Committee are contained in Minute Book, MRC MSS 204/1/1/21. For a short general history of the Anglo-American Productivity Council, see Jim Tomlinson, 'The Failure of the Anglo-American Council on Productivity', Business History, No. 1, 1991, pp.82-92.

111. See minutes of Council meeting of 18 January 1949, Op cit.

internal competition that must preclude "too close a consultation" between the various firms.¹¹²

Subsequently, other members made known their objection to information exchange with the Americans. It was stressed that "the UK product and the UK production methods were considerably ahead of the US." Thus, there should be no exchange of teams between the British and American motor cycle factories. In conclusion, the Committee agreed that "a visit to the USA would produce nothing of any great value." The Government was informed accordingly.¹¹³

As far as the other recommendations of the Minister of Supply were concerned, the Committee curtly disposed of them. Union Director Watling was instructed to prepare a press release which informed all and sundry of "the high degree of efficiency already achieved in the Industry" as well as its dominance in world export markets. Hence, the industry's leaders saw no need to implement any searching evaluation of their factories and production facilities.

Instead, any improvements in what the Government termed Production Efficiency would rest with each firm and any technical problems could be forwarded to the Committee for reference to the appropriate outside agency. The Union, they agreed, would undertake to inform its membership of the work of their Production Efficiency Committee and to disseminate relevant information received from the FBI, SMMT, MIRA and the British Standards Institute. As far as the Union was concerned, that was that. There was nothing more to be done about either Production Efficiency or the Anglo-American Council on Productivity.¹¹⁴

112. Ibid.

113. Ibid.

114. Ibid.

The following year Watling reported on a recent meeting with the Minister of Supply. The Minister had stressed his anxiety that the engineering industries "should do everything possible to increase their production efficiency by means of standardisation and simplification." In their reply, members of the Union's Council declared that, in their collective minds they had done all they could to bring these issues to the attention of their membership. Moreover, "it is felt that the Industry generally has gone as far as it possibly can along the road to Standardisation." For the British motor cycle industry, the book was closed on production efficiency.¹¹⁵

Nothing lasting was to come out of this episode. In a short space of time, the newly formed Standardisation Committee went back to dealing with the comparatively minor technical issues that its predecessor had been addressing before the Government raised their concerns. Yet the manner in which the Union reacted to this question was highly significant for the future of the industry. Surely if there was ever a time after the war when the industry could have made a collective effort to prepare for the future, this was it. Instead, an unparalleled opportunity was allowed to slip away.

As far as the majority of the Union's Council was concerned, the fact was that British motor cycles remained superior to all others, in terms of performance, especially at sports events. Moreover,

115. See minutes of the Union Council meeting of 28 March 1950, contained in Guardbook MRC MSS 204/3/1/68. See also memo, Watling to all manufactures, dated 15 February 1949, entitled '160/49: Production Efficiency', contained in Guardbook MRC MSS 204/3/1/65. The motor cycle industry's aversion to standardisation or rationalisation of components was also shared by British sports car companies. See Timothy R. Whistler, 'Niche Products in the British Motor Industry: A History of MG and Triumph Sports Cars', unpublished PhD. dissertation (LSE 1991), p.151.

British factories continued to outperform all others and the export trade continued to be dominated by their products. There seemed no reason for the industry to think it would be forced to change its ways. Yet, in 1949, the signs of change were there for those who bothered to look. Germany had resumed production, however limited for the time being. In Italy, production was well underway to re-introduce what had been originally a British invention, the motor scooter. Even the year before, British motor cycle firms had observed lightweight Italian motor cycles storm back to victory at the Isle of Man TT. One trade journal warned the industry that it was making a serious error neglecting the development of smaller machines. These were of "vital importance" to the long term prospects of motor cycle use in Britain. Otherwise there was a danger that the motor cycle could slip back in public perception to the pre-war situation of "being regarded almost entirely as a sporting [machine] for the young and adventurous."¹¹⁶

Unlike their British counterparts, Italian companies such as Innocenti (maker of the Vespa) and Lambretta had produced machines of their own design which were both technically sound and financially successful. Indeed, they had become so popular on the Continent that in 1949 the Douglas company bought the rights to manufacture the Vespa at its Bristol motor cycle factory. The move, which did not receive much notice at the time, was to be portentous of shifts in consumer tastes after 1950.¹¹⁷

116. See 'Lightweights for Utility', Motor Cycle and Cycle Trader 2 July 1948, p.399.

117. For a general history of the scooter in Britain, see 'Object as Image: the Italian Scooter Cycle', contained in Dick Hebdige, Hiding in the Light, London: Routledge, 1988, pp.77-115 and 'Scooter Mania', in Gary Johnson, op cit, pp.73-85. In the spring of 1949, London dealer Pride and Clark were reported as bringing in a ship of French Motobecane autocycles. See minutes of the Motor

As the Reconstruction period drew to a close in 1951, the British motor cycle industry could look back at a mixed record of accomplishment. It had, considering the constraints of the time, done a reasonable job of recovery. The manufacturers' annual output had fallen far short of what they had predicted during the war, but this was a combination of unrealistic expectations as well as the result of conditions, such as materials supply, over which they had little control. Other than the BSA Bantam, the benefits of the Reparations programme had also fallen well below expectation. Moreover, little had been gained from their examination of German production methods and acquisition of plant. After 1948 the Germans were free to develop new models without fear of appropriation by the occupying western Allies. In light of the politics of the reparations programme, the disappointing results could not be blamed entirely on lack of initiative on the part of the motor cycle industry.

Ironically, the era ended as it had begun at the conclusion of the war, with a surprise acquisition by BSA. Again, this involved a firm owned by Jack Sangster, who, convinced he was in poor health, decided to sell off Triumph Engineering in order to spare his family death duties.¹¹⁸ The industry's structure was now further narrowed. Although the news was not widely disseminated to the public, the shock of Sangster's sale of Triumph to its greatest rival must have been considerable. Once more, Sangster screwed every possible penny he could from BSA. The buy-out cost £2,450,000 cash (Sangster had paid approximately £50,000 for

Cycle Manufacturers Section meeting of 11 April 1949, contained in Minute book MRC MSS 204/1/1/21.

118. Sangster's forebodings were premature. He was to live until 1977. See his entry in the Dictionary of Business Biography.

Triumph in 1936), and the deal also included a seat on the BSA Group board for Sangster himself.¹¹⁹

One might be tempted to draw a parallel between the Triumph sale and the Morris-Austin merger, creating the British Motor Car Company, which was to take place the following year. Superficially there appears to be some justification to think there was. All the firms concerned were major forces in their respective fields and the consolidation of assets was widely thought to be a positive development for the future of their industries.¹²⁰

However, there the similarities end. While, in the motor car industry, several strong competitors remained, not only American owned Ford and Vauxhall, but also Rootes and Standard, the motor cycle industry was different. The BSA/Triumph combine, along with subsidiaries Ariel and Sunbeam, now had a clearly dominant position among British motor cycle manufacturers. Although firm and reliable production figures are always difficult to determine, it is likely that total BSA Group production amounted to at least 60 per cent of the industry's total output. Between them, AMC and Norton probably accounted for a large portion of what remained. In future, the other firms were to be pushed further and further to the margins of the industry or bought out in turn themselves. From

119. The sale was approved at a BSA Board of Directors meeting held in January 1951. Evidently the negotiations were carried out between Sangster and Board member Lord Woolton and the decision to buy was based on the belief, according to the Board minutes, that Triumph was "a desirable asset to acquire." The money was paid to Sangster in the form of a lump sum, payable by 31 March. See minutes of the Board meeting held on 11 January 1951, agenda item 10246, contained in Minute Book No. 15, MRC MSS 19C/19.

120. After 1955, following the merger of Austin and Morris in 1952 to create BMC, the so-called 'Big Five' motor car manufacturers accounted for 90 per cent of industry output. In 1946, the so-called 'Big Six' had manufactured 90 per cent of output. See Maxcy and Silberston, op cit, p.19 and p.22. See also Rhys, op cit, pp.21-22 and Church, op cit, p.78.

now on whatever happened to BSA would determine the future of the entire British motor cycle industry.

Chapter 4.

'The Window of Opportunity: 1951-1956'.

Having emerged from the difficulties of the immediate post-war years, British motor cycle manufacturers now appeared poised for a period of vast and sustained expansion. With no foreign competition as yet evident, the industry was in a highly advantageous position from which to supply cheap motorised transport for a world well on the way to full economic recovery. The way was now cleared to realise its highly ambitious and self-imposed post-war production goals. Although there was a short period of material shortages brought about by the Korean War and rearmament programme which restricted production between 1950 and 1952, thereafter the industry was generally able to procure most of its requirements.¹

The sales situation in the Home market was rapidly improving. Increasing affluence assisted greater levels of motor vehicle ownership, to which many in the working classes now aspired. This was reflected in Churchill's appeal, made during the 1950 General Election campaign in reply to an earlier remark made by Labour Cabinet Minister Aneurin Bevan, which insisted that voters were not necessarily, "'lower than vermin' because by their skill and thrift they have earned and saved enough money to buy a car or motor cycle."² The sense of optimism was also boosted by

1. For shortages caused by the Korean War and rearmament, especially chrome and steel, see a series of minutes and memorandum from the Minute Books and Guardbooks contained in the Guardbooks from MRC MSS 204/31/69 to MSS 204/3/1/72. In its 1953 Report, the Manufacturers' Union claimed that the materials shortages had ended. See 1953 Annual Report, p.4, contained in MRC MSS 204/4/3/2.

2. Churchill's quote comes from William Plowden's The Motor Car and Politics, London: The Bodely Head, 1971, p.318.

production levels which had increased from 49,000 units in 1945 to 171,700 in 1951. During the same period motor cycle registrations had jumped from 312,844 to 859,034 and exports, which brought in badly needed hard currency, had gone from 4,000 to 91,000. The industry remained the world's largest producer and although former rivals might be steadily recovering, none of them were as yet strong enough to directly challenge the British.

Indeed, one could suggest that during this period there was a 'window of opportunity' to allow for the consolidation of world-wide primacy. The years 1951 to 1956 were arguably a time when the industry had the resources and the time to prepare for the onslaught of overseas competitors, as its rivals fully recovered from war-time damage.³ This was a period bounded on one side by BSA's purchase of Triumph Engineering and on the other by the 1956 sales recession, the first of the post-war era. Nonetheless, during this time three substantial problems emerged to plague the industry. These cumulatively prevented it from taking full advantage of the favourable conditions to expand in the way its leadership had hoped.

The first of these, growing public concern about increased levels of motor cycle accidents, became a serious sales deterrent and also complicated the industry's efforts to convince the government to relax tax and regulations. The second was the gradual loss of export markets, a result of factors both within and without the manufacturers' control. Third, and most important, was a shift in the character of the British home market, a factor which the collective leadership of the industry was slow to appreciate.

3. A point also made by Barbara Smith, op cit, p.21 and p.25.

In 1951, these problems were still easy to overlook. For most of the manufacturers, the major problem was still that of trying to meet the incessant demands from their customers at home and abroad. If any single firm was representative of the potential of the industry at this time, it was BSA. This was certainly the judgement of Chairman Sir Bernard Docker, who was convinced that the future for his company was full of boundless promise. During an address to shareholders at the 1951 Annual General Meeting, he commented on the booming state of trade which faced his corporation in markets around the world. He defined the primary challenge facing the company and its various subsidiaries as achieving "production and still more production."⁴

Docker's remarks were more than mere rhetoric and, on one level at least, his optimism seemed well founded. This was a company which employed 20,000 workers in a number of locations around Britain and abroad, including an armaments factory in South Africa and a Canadian machine tool subsidiary. Its various interests had for many years spanned a wide range of engineering products, diverse but complementary, covering steel, machine tools, firearms and earth moving equipment.⁵

Indeed, BSA was able to supply many of the goods that were in demand during this period of economic recovery. Among other things, it produced utilitarian bicycles, some of the most expensive and luxurious limousines available in Britain, along

4. See Chairman's speech for the 1951 Annual General Meeting, p.2, contained in the BSA Collection, Birmingham Central Library, MS 321/A.

5. The figure of 20,000 employees is cited in Docker's speech to the shareholders of 1954, pp.3-5, see MS 321/A. Details about the South African and Canadian factories are provided in the BSA Directors' Minute Book No. 16, meeting of 27 September 1951, agenda items 10292 and 10293 respectively, contained in MRC MSS 19C/19.

with a range of buses (supplied to metropolitan fleets at home and abroad) and armoured fighting vehicles, allowing it to cater to the whole spectrum of motor transport. Everything was manufactured, in fact, except for cheaper, economy class motor cars. Nor was the motor cycle side of BSA neglected and the company continued to account for nearly 50 per cent of the total British production.⁶

Indeed, BSA had maintained its position as the world's largest motor cycle manufacturer, offering what was undeniably still the most extensive and comprehensive product range of motorised two wheelers anywhere. In 1951 BSA and its subsidiaries manufactured over 20 individual models, an even more varied range than during the pre-war period. Its output included everything from the 98cc auto-cycle made under the New Hudson name, the 175cc Bantam entry level motor cycle, acquired from the Germans through the wartime Reparations Programme, to the four cylinder 1000cc Ariel 'Square Four'. These machines were diverse, mostly well engineered and covered virtually the entire market spectrum.⁷

Among the other models produced was the highly successful 650cc twin cylinder machine, the 'Golden Flash', introduced after 1945 to counter the big Triumph models. Derivatives of this model would continue to be built until 1972. BSA also manufactured the

6. BSA dropped manufacture of its light car during the war and did not resume production after 1945. There is a report that the company, along with much of the British motor industry, turned down the Volkswagen 'Beetle', offered via the Reparations Programme. See Owen Wright, BSA - The Complete Story, Ramsbury: The Crowood Press, 1992, p.40. Wright's statement about the VW is made without substantiation and there is no mention in the surviving BSA archives of the company ever showing any interest in the VW design. For the market share estimate, see the Economist, 'More Power to the Pedal', 30 April 1955, pp.399-401.

7. See Roy Bacon, British Motorcycles of the 1940s and 1950s, pp.32-41, pp.52-64 and p.125 for details of this range.

highly successful single cylinder 500cc 'Gold Star' which swept race tracks around the world. In between the company produced a number of machines in varying configurations, built up around engine capacities of the 250cc, 350cc and 500cc classes.⁸ In 1953, as recognition of the relative importance of motor cycles within the BSA Group, they were split away from BSA Cycles (which included bicycles) and BSA Motor Cycles Ltd. was created. The other motor cycle subsidiaries, Ariel, Triumph and Sunbeam, continued to operate with varying degrees of autonomy.⁹

Moreover, BSA was well equipped with factory and plant in order to produce this extensive range of motor cycles. The main factory on Armoury Road at Small Heath, Birmingham, manufactured most of the motor cycles, along with a diminishing amount of rifles, and also performed some general engineering work. This capacity was complemented by a former 'Shadow Factory' at nearby Redditch, which produced the engine for the Bantam, the high-priced Sunbeam models as well as sundry subcontracting work.¹⁰

After 1944 BSA also owned the Ariel Motors plant at Selly Oak Birmingham, which produced a smaller but still comprehensive line of models, including the giant 'Square Four'. In 1953,

8. Barry Ryerson, op cit. See chapter nine for a review of the post-war range, pp.87-110.

9. See BSA Directors' Minute Book, meeting of 30 April 1953, item 10455, Minute Book 15, contained in MRC MSS 19C/19. See also 'Separation of Motor Cycle and Bicycle Interests. New Company formed', BSA News, August 1953, p.3.

10. According to John Balder, BSA's Service Manager at the time, the Small Heath plant ran three assembly lines simultaneously, one for the Bantam, one for the 'B' series of single cylinder models and another for the twin cylinder machines. See Balder interview of 18 November 1994. The Sunbeam had been the star of the first post-war Show in 1948, one being presented to Field Marshall Montgomery who had been invited by the Union as its special guest and who had opened the proceedings. See Show Catalogue for 1948, MRC MSS 204/4/1/29. There was a follow up on how the Field Marshall was enjoying his motor cycle in BSA News for Autumn 1952, p.31.

responding to expanding demand for the so-called 'clip-on' (a small engine which could be attached to a bicycle frame as an auxiliary power unit) BSA introduced the 'Winged Wheel'. This unit, which extended BSA's two-wheeled range even further, was manufactured at its bicycle factory at Montgomery St. in Birmingham.¹¹

After 1951, BSA's most important subsidiary was Triumph Engineering Co. BSA included Triumph's highly successful range of big capacity twin cylinder models as part of the overall line-up, although Triumph continued to maintain its previous separate identity. Indeed, BSA deliberately downplayed this purchase with the general public in the interests of fostering competition between the subsidiaries, an important sales factor amongst enthusiasts who were often fiercely loyal to individual marques. As he had before 1951, Triumph's Managing Director Edward Turner continued to run his enterprise with virtually a free hand.¹² Moreover, Triumph continued as a manufacturer of large displacement motor cycles, although two smaller models, one 150cc and the other 199cc, were also introduced in the early 1950s. Indeed, the 199cc model would become increasingly important after 1956, although later on Triumph's production would consist mostly of machines in the 500cc and larger displacement category.¹³

During the early 1950s, the BSA was working close to full productive capacity, now well in excess of the best pre-war

11. The so-called 'Winged Wheel' was a single cylinder 35cc engine, which was fitted on to the rear wheel of a bicycle. It cost £25 and could return 200 miles per gallon. See "The Winged Wheel" in the August 1953 issue of BSA News, p.5.

12. See Hopwood, op cit, pp.127-128.

13. See Ivor Davies, op cit, p.111. See also an untitled feature article on Triumph lightweight range, contained in The Motor Cycle and Cycle Export Trader, November 1952, p.177.

figures. During the 1951/52 season the Small Heath factory alone churned out at least 65,000 machines of various types, a total never again surpassed by it or any other British motor cycle company. The subsidiaries probably accounted for another 30,000 to 35,000 units. According to its surviving records, Triumph alone produced on average between 20,000 to 22,000 machines throughout most of the 1950s.¹⁴

Yet, beyond the slick, flashy covers of the company reports and prospectuses, at a deeper, less evident level, the BSA Group was a troubled organisation. The sources of this malaise, which were remarked upon privately by certain Board members, had very little to do with motor cycle production.¹⁵ The crucial underlying weakness was that the top management of BSA was simply not up to the job of directing and coordinating the activities of such a vast and sprawling enterprise. At the time, much evidence about the true state of the company was submerged by the acrimony surrounding Chairman Docker and his wife Norah's eccentric behaviour and personal excesses. Lacking either the talent or the dynamism of his late father, Dudley Docker, a man closely associated with BSA for many years and who had manoeuvred his son into the chairman's office, Sir Bernard was unable to achieve the

14. The figure of 65,000 motor cycles produced is drawn from the BSA Management Minutes, meeting of 23 February 1951, agenda item 9258. This total probably includes all motor cycles and New Hudson autocycles made at the Small Heath factory, along with the Sunbeams made at Redditch. According to John Balder, then BSA's Service Manager, the Small Heath factory never ran at 100 per cent capacity. See Balder interview, 18 November 1994. No archive material at all remains for Ariel Motors and it is extremely difficult to estimate its output for virtually any period of time, although after 1945 it probably fluctuated between 10,000 to 15,000 units.

15. See the series of correspondence between BSA Deputy Chairman Patrick ('Paddy') Hannon and various personnel, in particular James Leek and Sir Bernard Docker, during 1947-1951, in the Hannon Papers, Box 31/Folders 1-3 and Box 36/Folder 4.

harmonious workings of the company's many parts. Still, in the years after the war it must have been easy to overlook these weaknesses when the BSA Group's products were in such demand. This was especially true for the special alloy steels made by its subsidiaries Jessops and Saville. These were a key component in the manufacture of the turbines needed for one of Britain's newest industries, jet engines, used on high-profile aircraft such as the Comet. This product placed BSA in the forefront among some of the most promising developments in British engineering.¹⁶

So what went wrong? The most obvious and intractable of all BSA's difficulties was the Daimler motor car subsidiary. This key division had not flourished after 1945. It had enormous difficulties finding a place in the Home market and had a dismal export record.¹⁷ For his part, Docker blamed the Attlee government's "vicious" Double Purchase Tax on 'luxury' motor cars. This tax, he complained, was a "monstrous handicap to the sales of such cars" and had prevented Daimler from becoming a going concern.¹⁸

16. See Davenport-Hines, op cit, pp.231-232. At one point, Docker claimed that 90 per cent of the jet engines built in Britain used BSA turbine discs. See Chairman's Speech, 9 December 1948, p.6, MS 321/A, Birmingham Central Reference Library. The cover of the BSA News issue for Summer 1956 had a photo of a de Havilland Comet 3 jet airliner, which used jet turbine discs made by BSA's Special Steel Group.

17. A point remarked upon by Ministry of Supply officials in their private correspondence, see, for example, SUPP 14/328, specifically a memorandum entitled 'Note of Meeting at the Daimler Company on 12th October 1949' and SUPP 14/331, in particular Minute Sheet, dated 16 February 1951, prepared by H. Bailey. See also the minute of 3 September 1951, contained in SUPP 14/332.

18. See Chairman's Speech delivered on 9 December 1948, contained in MS 321/A .

The fact was, however, that Daimler's main product line, largely old fashioned and expensive limousines, simply did not have sufficient appeal to allow the company to operate its factory on an economic basis. In 1950, the BSA Group Board decided to break out of this impasse by adopting a new manufacturing strategy.¹⁹ This committed Daimler to a range of smaller, less expensive models in a determined bid for Britain's growing numbers of middle-class motorists. Even though considerable resources were spent re-equipping Daimler's Coventry factory to produce the new models, the results were disappointing. By 1956, Daimler's continuing losses threatened the entire BSA Group and Chairman Docker's position with his fellow Board members became increasingly tenuous.²⁰

Although far more successful than Daimler motor cars, the motor cycle division produced its share of disappointments. Sunbeam, the 'Gentleman's motor cycle', upon which such high hopes had been placed, was not only high-priced but was also plagued by serious quality control problems, the result of a badly flawed design. It never lived up to the standard of its German BMW inspiration. In consequence, far fewer machines were sold than hoped and this model was ultimately killed off in 1956.²¹ The

19. In the opinion of Board members, this strategy was the "only one likely to enable the company to establish itself in the motor car field." See Board meeting for 28 March 1950, item 10187, Op cit.

20. In June 1950 BSA spent £1,000,000 on re-equipping the Daimler factory and subsequently another £1,000,000 on purchasing Carbodies, in order to gain a secure source of this vital component. See agenda item 10202, Board meeting of 22 June 1950, contained in Minute Book M15, MRC MSS 19C/19 and agenda item 10552, Board meeting of 20 May 1954, contained in Minute Book 16, MRC MSS 19C/20.

21. Troubles with the Sunbeam had begun even before it went into production, a point indicative of serious design flaws. See, for example, BSA Small Heath factory Management Minutes, meeting of 10 September 1945, agenda item 7821, MRC MSS 19A/1/5. A

Ariel Square Four had a far longer production life than the ill-fated Sunbeam, but it was an aged design, dating from the early 1930s, and had its own inherent design problems. The Square Four also suffered from its relatively high cost which restricted its appeal. It would be finally dropped from the factory's production programme in 1959.²²

On the other extremity of the product range, the bicycle motor attachment also failed to live up to expectations. Begun as a response to changing consumer tastes for lightweight power units, the 'Winged Wheel' was produced too late to really exploit the cycle attachment market.²³ On the other hand, the lightweight Bantam, the big capacity twins and the more traditional single cylinder machines (the 500cc 'Gold Star' was a particularly successful race track machine) were consistent money-spinners which would continue to earn the revenue for years to come.

If the state of the industry's leader was not as good as surface appearances suggested, what remained of the one-time 'Big Six' of motor cycle manufacturers? By 1953 this had shrunk to the 'Big Four', itself a highly misleading concept since BSA and Associated Motor Cycles (AMC) together accounted for between 65

technical description of this model is contained in Robert Corden Champ, op cit, pp.9-10 and his The Sunbeam Motor Cycle, Sparkford: Haynes Publications, 1980, pp.157-1965. Designer Bert Hopwood's assessment of the Sunbeam is highly critical: "The early reputation of difficult maintenance and unreliability stuck with the bike and hampered its sales." See Hopwood, op cit, pp.90-91.

22. See Peter Watson, 'Rise and Fall of the Square Fours', Classic Bike, Autumn, 1978, pp.10-13, Steve Wilson, op cit, volume 1, pp.97-102 and Peter Hartley, The Ariel Story, Watford, Herts: Argus Books, 1980, pp.194-209.

23. Owen Wright notes that this motor unit was introduced too late to really capitalise on the boom years of the 'clip-on'. Nor did it appear to have captured the affections of its owners, evidently it was known widely as the 'Stink Wheel'. It faded away after BSA sold its bicycle interests to Raleigh Industries in 1957. See Wright, op cit, p.155.

to 75 per cent of the industry's output and made the motor cycle industry one of the most concentrated in Britain.²⁴ Now firmly established as the industry's number two producer, AMC had followed BSA's example by diversifying production through the acquisition of smaller firms. Unlike BSA, it remained a dedicated motor cycle producer. During this time AMC launched several important take-overs that enabled it to extend its limited model range without having to add to its existing facilities. This was important since AMC's output consisted mostly of the big capacity Matchless and AJS models, either the traditional single or the newer twin cylinder machines.²⁵

In 1947 AMC picked up the Coventry based Francis-Barnett, another medium sized producer of smaller machines. Acquisition of this firm enabled AMC, in the words the Chairman, to take "an active interest in the lightweight motor cycle field, with particular regard to export markets which were largely supplied by Germany in pre-war days." The pattern was continued in 1950 when AMC acquired James Cycle, another medium sized producer of lightweight models, based in Birmingham. Both these companies gave the parent company a presence in the lightweight market which hitherto it had not participated in.²⁶

24. See Richard Evely and I.M.D. Little, Concentration in British Industry, Cambridge: Cambridge University Press, 1960, p.52 and p.123. The Economist estimated that AMC, including its subsidiaries, accounted for about 30% of total British output. See 'More power to the Pedal', op cit.

25. For a general overview of AMC's activities during this time, see Gregor Grant, op cit, pp.80-83 and Peter Hartley, Matchless - Once the Largest British Motor Cycle Manufacturer, pp.139-170.

26. The Francis-Barnett acquisition was described in an untitled feature in the Export Trader, June 1947, p.213. This purchase also included a subsidiary, Clarendon Pressings and Welding, a company which produced a variety of accessory items for both the motor cycle and motor car industry. Chairman Hogg's quote comes from a letter to AMC Shareholders, dated 4 July 1947, on file at the Guildhall Library. The James' purchase was covered in a news

The management of the Woolwich factory, the core of AMC, had an intensely conservative conception of both motor cycles and motor cyclists, which was manifested in the manufacturing programmes. This consisted of the larger displacement single and twin cylinder Matchless and AJS models which were largely built for the traditional segment of the market. This conception was also reflected in the outlook of Managing Director Donald Heather. In his opinion, the majority of people who bought motor cycles were dedicated enthusiasts, many of whom were oriented towards sporting events. According to fellow executive Bert Hopwood, Heather refused to believe that substantive technical improvements were necessary. Indeed, Heather was evidently sceptical of the goal of a trouble-free motor cycle, having once commented that "most motor cyclists love to spend their Sunday mornings taking off the cylinder head and re-seating the valves."²⁷ For a time, his strategy seemed vindicated by the fact the company worked at full capacity during this period, barely able to meet either Home or Export demand. This was a point the company Chairman often reminded shareholders of at AMC's Annual Meetings. The policy was also reinforced by a high

item entitled 'Attention to Detail' contained in British Cycles and Motor Cycles Overseas, August/September 1950, p.369. The James company also manufactured bicycles, although that part of the business was later sold off to Tube Investments, see 'James Pedal Cycle Interests sold', Times 21 August 1954, contained in File 12913, Trade Union Congress news clipping collection, MRC. According to J.M. West, AMC Sales Manager at the time, James and Francis-Barnett were purchased very cheaply, for even less than the estimated cost of their assets. See J.M. West interview, 23 November 1994.

27. Donald Heather's view of motor cyclists is described in Hopwood, op cit, p.143. This viewpoint was criticised at the time by columnist Francis Jones: "Extraordinary as it may seem, the belief is still current that a motor cyclist must be something of an engineer if he is to get satisfactory service out of his machine." See 'Motor Cycle Matters', Motor Cycle and Cycle Trader, 20 April 1951, pp.50-51.

rate of return on capital and a series of generous dividend payouts.²⁸

The most important single post-war acquisition AMC made was its 1953 purchase of Norton Motors, along with its sister firm R.T. Shelley, an automobile accessory maker, for a reported sum of £900,000. Like the earlier purchases, this Birmingham based firm was only loosely integrated within AMC's corporate structure. S.R. Hogg, AMC's chairman, explained the Board's strategy of diversification to the shareholders at the subsequent Annual General Meeting:

The great reputation which is attached to the names of Matchless, AJS and Norton, in the field of high grade sporting motor cycles, and to the names of Francis-Barnett and James, in the lightweight motor cycle markets, will give our Group a strength and prestige which cannot be matched by that of any other organisation in the motor cycle industry.

Hogg went on to declare that the addition of Norton would "greatly strengthen the group in dealing with the competition we will have to face in the future, not merely from other British manufacturers, but also competition from the European motor cycle industry."²⁹

Norton had continued to produce a limited range of mostly larger (350cc to 600cc) single cylinder models in its antiquated,

28. AMC's output was discussed in 'Greater Attendance, more Publicity, and Improved Display Standards', 28 November 1952, pp.176-179. For details of AMC's financial performance at this time, see Barbara Smith, op cit, p.31.

29. See the 'Chairman's Speech' to the Annual General Meeting, delivered on 25 February 1953, on deposit at the Guildhall Library, London. Chairman Hogg's remarks were also given detailed coverage in an article entitled 'Norton Acquisition', 7 March 1953, p.366, Motor Cycle and Cycle Trader. AMC's purchase of Norton Motors included its subsidiary, R.T. Shelley, a manufacturer of motor cycle and motor car accessories.

almost Dickensian, factory in Birmingham.³⁰ These sold in consistent if unspectacular numbers, largely because of the company's continuing race-track success. Following the lead of Triumph and BSA, Norton also introduced a 500cc twin cylinder model, the 'Dominator', which became one of the company's best sellers. In fact, later variants of this model would subsequently become its sole product.³¹ Norton was also unique in the industry because it was affected by a lengthy labour dispute. Indeed, there is no record of labour unrest among the other manufacturers, there being only one recorded strike in the industry from the late 1920s to 1956, that at Ariel Motors in 1944, which occurred as a protest against Sangster's sale of the firm to BSA.³²

In May 1956, a strike was begun by AEU members at Norton over the issue of redundancies, which was in turn part of a wave of labour unrest sweeping through the automotive engineering industry, most prominently at Coventry's Standard Motor Company.

30. When Bert Hopwood first went to work at Norton Motors in 1947, he noted that never "even during the war time blitzes did I have to work under such difficult conditions." He described the factory as follows: "... the whole Norton building was such a slummy shambles sandwiched with machines and parts, and men and vermin, in a noisy and dirty conglomeration." Hopwood, op cit, p.69.

31. Mick Woollett, Norton, London: Osprey Publishing Ltd., 1992, pp.197-218. See also Roy Bacon, British Motor Cycles of the 1940s and 1950s, pp.130-137.

32. See PRO LAB 10/132, 'Trade Stoppages, weekly return to the Minister, November 1940 - December 1944. Return for 21 December 1944'. As during the interwar period, there is the occasional remark about strikes among component makers, but not any actual motor cycle manufacturer. There is no mention in the Motor Cycle and Cycle Trader, or in the special TUC newsclipping file on the cycle and motor cycle industry, of any strike between 1944 to 1962 other than the Norton dispute. There was, however, a short unreported strike at Triumph Engineering during June 1959, the first since the 1920s. There is no record of any other labour dispute at the company for several years thereafter. See Koerner, 'Trade Unionism and Collective Bargaining', op cit, p.104.

The Norton strike ran for over 6 months and caused much bitterness between the company and its workforce. There was also an element of political involvement in the Norton strike, through the active participation of a group which was subsequently known as the Socialist Labour League.³³ The dispute was ultimately settled without significant concession on the part of the company in late November, even after a disruption of that year's Show, when AMC and its subsidiaries had their stands 'blacked' by the building staff, acting in support of the AEU.³⁴

The industry's two remaining larger companies struggled along with varying degrees of success. Neither came anywhere near BSA or AMC in terms of production levels although they did try to adopt various innovative production strategies in order to maintain sales.

Royal Enfield remained committed to motor cycle and bicycle production but had also branched out to manufacture diesel engines and small engines for motorised bicycles. It continued to fill specialised Government armament contracts at its old war-

33. Several booklets and some correspondence relating to the Norton strike can be found within MRC MSS 309, Box 6, entitled 'Solidarity file'. Among them is a pamphlet published by the Norton Motors Strike Committee entitled The Fight Against Redundancy, (September 1956). There are several newspaper clippings concerning the Norton strike contained at in LAB 10/1445, 'Engineering - Standard Motor Car Co. Ltd., Coventry and the Confederation of Shipbuilding and Engineering Unions. Strikes over redundancy'. Harry Finch, who was the Norton shop stewards' convenor during the strike, was later listed as a leader of the Socialist Labour League in Patterns of Trotskyism - A new form of subversion in Industry. London: The Economic League Ltd. (no date but probably 1960), which is contained in MRC MSS 200/F/5/53/5. A more reliable source, Bert Hopwood, who had been appointed a Director of Norton just as the strike broke out, provides a brief description of the dispute in Hopwood, op cit, pp.136-137.

34. The 'blacking' incident at the Show was described by Industry Association Director Hugh Palin in a memo dated 26 November 1956, entitled '367/56 - Director's Personal Report', contained in MRC MSS 204/3/1/84.

time underground factory near Bradford-on-Avon. From its main factory at Redditch the company built its mainly large (350cc to 500cc) traditional single cylinder machines, although it did also have a smaller displacement (125cc) model to rival the BSA Bantam along with a popular 250cc sports machine. Royal Enfield also built several large twin cylinder models, although these never sold in great numbers. In response to tariff walls and import quotas, it was the only British motor cycle firm to establish an overseas manufacturing facility by way of a licensing agreement with an Indian company based at Madras.³⁵

The second company, Douglas, suffered from a period of upheaval and was put under receivership in 1948. It was later bought by Westinghouse Brake and Signal Company in 1956. Nonetheless, it maintained a limited line-up of motor cycles although its real 'bread and butter' was a licensing arrangement negotiated with the Italian Piaggio company to manufacture the 'Vespa' scooter. The latter proved to be a profitable venture and one which kept the firm abreast of changing consumer tastes in the Home market and probably saved it from earlier financial problems. Scooter

35. For an outline of Royal Enfield's post-war range, See Steve Wilson, op cit, Vol. 4., pp.53-81 and Peter Hartley, The Story of Royal Enfield Motor Cycles, Cambridge: Patrick Stephens, 1981, pp.92-110. The motorised bicycle engine was an Italian design, the 'Cucciolo', which Enfield built under licence for the Britax company. See 'Britax Bicycle available for Cucciolo Engine unit', in the Motor Cycle and Cycle Trader 22 August, 1953, p.287. The Madras India factory assembled its first 350cc single cylinder model in 1957 and continues to produce much the same machines to the present. See photo story in The Export Trader, January/February 1957, p.13. In 1948 Norton announced its intention to build an assembly plant in Canada but no action was ever taken. See 'Post-war sales of motor cycles in Canada', 19 November 1948, Motor Cycle and Cycle Trader, p.289.

production continued into the 1960s, while orthodox motor cycle production ended in 1957.³⁶

Two of the well-established smaller specialist firms, Veloce (Velocette) and Vincent, had shown considerable design flair in their post-war models. Yet, they, too, performed below their own expectations and experienced serious troubles, sufficient to cause one of them to go out of business during the period in question.

Vincent continued to produce the big 1000cc twin cylinder models which regularly broke speed records around the world. These machines are still considered to be benchmarks of engineering and design excellence. Nonetheless, the Vincent company found that it had boxed itself into a very limited market consisting of well-heeled enthusiasts. There were simply not enough of them willing to pay the steep prices, some £366 for a 1000cc 'Rapide' model in 1954, necessary to keep the factory going on an economic basis.³⁷

In 1948 the company suffered a major and ultimately fatal reverse when Argentina adopted stringent import quotas and higher tariffs. This was a disaster for Vincent as it had become highly committed to the Argentine market with much business having been developed in, among other things, supplying motor cycles to the

36. See Jeff Clew, The Douglas Motorcycle, Sparkford: Haynes Publishing Group, 1981, especially pp.153-172. For more detail on the scooter licensing scheme, see 'First British Vespa on March 15', Motor Cycle and Cycle Trader, 9 March 1951, p.492.

37. Vincent was also involved in Britain's rearmament programme, which may have disrupted its production programmes after 1950. See 'Fewer Vincent Motor Cycles', 12 January 1951, p.387., Motor Cycle and Cycle Trader. The price for the 'Rapide' is derived from the 'Buyers' Guide', contained in The Motor Cycle, 18 March 1954. That same year, the price of a Ford Anglia and Popular motor car was, respectively, £541 and £413, see 'Buyers' Guide', The Autocar, 11 November 1955.

that country's military and police forces. From then on the company limped along as best it could.³⁸

Vincent did not give up without a fight. It tried an imaginative, flexible response to falling sales of the big twin cylinder models and to changes in the market. It produced a 48cc cyclemotor (the 'Firefly') and later went into a partnership with the German NSU company. This involved importing and assembling NSU's lightweight motor cycles and along with its popular 'Quickly' moped, using at least 51 per cent British content thus enabling them to be badged and sold as 'Vincent's' throughout Britain and the Commonwealth. Ultimately the company also tried building three-wheeler cars, engines for pilotless target aircraft, lawn-mowers and even a water scooter. This was all to no avail and in 1955 Vincent ceased production of motorised two-wheelers. After the company went out of business, owner Philip Vincent blamed competition from smaller, cheaply priced cars for the decline of his firm.³⁹

38. So determined was the company to develop the Argentine market, that in 1946 one of its 1000cc models was actually air-freighted to Buenos Aires in order to be displayed in a trade exhibition. See untitled news item, The Motor Cycle, 26 September 1946, p.241. According to owner Philip Vincent himself, the loss of the Argentine market badly damaged the company and was a major factor in its demise. Vincent's remarks are contained in his preface to Roy Harper, op cit, pp.8-10. A later history of the company claims that poorly focused and ineffective management was another significant factor in its decline. See Duncan Wherrett, Vincent, London: Osprey, 1994, pp.103-105.

39. See Peter Carick, Vincent-HRD, Cambridge: Patrick Stephens Ltd., 1982, p.21, pp.35-36 and p.72. Owner Philip Vincent was also quoted as saying that his company had closed because of "intense competition from small cars. ... There is no longer the same demand for our high quality models." He went on to elaborate that, "prices have reached a ceiling. With small cars available at such cheap low cost, people are turning away from motor cycles." See Evening Standard (no date but probably September 1955), story entitled 'Motor Cycle Firm is to Stop Production' contained in the Manufacturers' Union press clippings book, MRC MSS 204/10/1/3.

The other specialised company, Velocette, continued to build its larger capacity single cylinder models, primarily catering to a sports oriented market of enthusiasts. The 1948 launch of its utilitarian 'LE' model was planned as a breakthrough into a larger market of commuters. Although designed and manufactured to a very high standard, the LE never lived up to the hopes of its designers. The problems were essentially twofold. First, because of the LE's demanding specifications, which required expensive materials and manufacturing, it was priced beyond the pockets of the everyday commuter. In 1952, for example, the 192cc LE cost £173 15s, compared to Ambassador's 197cc 'Popular' (£102), the BSA 249cc C10 (£125 4s) and the 125cc Vespa scooter (£149 16s).⁴⁰

Secondly, even though the LE was supposed to appeal to non-traditional consumers (its advertising slogan was 'car-like in conception'), the approach to marketing was very orthodox. Although designer Phil Irving had urged the company to take out advertisements in publications such as Tatler, Hoof and Horns and The Illustrated London News, in the interests of reaching potential customers who would not read the established enthusiasts' journals, he was unsuccessful. Instead, he was told "that it was not my job to sell the machine but to design it."⁴¹ Such handicaps, combined with its novel appearance, seriously undercut any hopes of mass appeal. In 1950, for example, although the company had predicted sales of 14,500, actual

40. Prices from 'Buyers' Guide', The Motor Cycle, 3 March 1952.

41. See Phil Irving, An Autobiography, Wahroongo, Australia: Turton and Armstrong, 1992, p.292. (Thanks to Dennis Frost for drawing this reference to my attention). The LE was, however, subject to a test evaluation in the Daily Herald. See Wilson, op cit, Vol.6, pp.191-200.

production was only 2,800. Indeed, far from being a big seller, it may have actually been produced at an overall loss to the company. As it was, instead of tapping a pool of non-traditional consumers, as its designers had originally hoped it would do, some of the LE's biggest sales were to various British police forces.⁴²

As before, there continued to be a number of smaller firms catering to various market segments which used proprietary two-stroke engine units, particularly those made by Villiers Engineering. Access to these power units enabled such companies to stay in business and complement the mainly large capacity machines produced by the major firms. These lower output companies built models in batches and targeted a variety of consumers, including commuters but also those participating in scrambles, trials and other sporting events.⁴³ One of them, Greeves, was virtually the only notable new market entry after 1945. Some of the others would later commence scooter manufacture.⁴⁴

42. See John Kelly, op cit, pp.223, p.512, p.518.

43. For a comprehensive listing of these models, see Roy Bacon, Villiers Singles and Twins, the Post-War British Two-Stroke Light Weight Motor Cycles. London: Osprey Publishing Co., 1983. Most of the smaller scale British producers, such as Excelsior, AJW, Bond, Cotton and Sun, continued to use proprietary engines, virtually all originating from the Villiers Engineering Co. As no reliable statistical information is available it is difficult to estimate what their output was although it was unlikely to have been more than 10 per cent to 15 per cent of total British production.

44. At least one firm, Walsall based Helliwell Ltd. (which had been building aircraft components along with side cars and sports cars), entered the utility market soon after the war with its so-called Swallow 'Gadabout'. See feature on the Gadabout in the Export Trader, February 1947, pp.58-59 and also 'New British Two Wheeler for Mr. and Mrs. Everyman', The Motor Cycle, 28 November 1946, pp.412-414. Another entry to this market was the General Steel and Iron Company, which introduced two small motor cycles (122cc and 98cc respectively) along with an autocycle (98cc) in 1952. All these models used proprietary engines supplied by

Smaller sized, slower motor cycles might have implied less problems in terms of accidents on British roads, yet instead the exact opposite occurred. During these years public opinion was increasingly inflamed over what was perceived as carnage on the highways as numbers of motor cycle accidents and deaths steadily mounted.⁴⁵ Public concern about road safety focused mainly on riders, primarily young men and their mainly female pillion passengers, but also extended to the general behaviour of motor cyclists towards other road users.⁴⁶

As they had twenty years before, growing numbers of motor cycles equalled more accidents. Initially, in the years after the war, this had not been a pressing problem. Motor cycles were seen as just another form of transport at a time when there was only limited access to personal motorised transport. In fact, it was not until 1953 that there were more motor cycles on the road than there had been during the pre-war peak of 1929. The lesser number of motor cycles, compared to motor cars, resulted in a correspondingly lower accident rate.⁴⁷

[See Appendix 1, Table XIII].

Villiers. See 'Revolutionary Lightweights' Motor Cycle and Cycle Export Trader, November 1952, p.175.

45. Columnist Francis Jones had warned the industry of the dangers of mounting public hostility about motor cycle accidents soon after the war. See 'Red Light Showing for the Motor Cycle Trade', Motor Cycle and Cycle Trader, 30 August 1946, pp.667-668.

46. In the 'Undergraduate Page' of a leading journal, motor cyclist John W. Crawford admitted that public opinion was mounting against higher levels of motor cycle accidents. Rider behavior was a problem, he agreed, and "who can resist the temptation to show that attractive girl on the pillion what the bike, and incidentally yourself, are capable of doing?." See 'As to Motor-Cycles' The Spectator, 6 June 1952, p.741.

47. For example, when the Times published a collection of letters to the editor in 1951 on the topic of road accidents, only two of the entries related to motor cycles. See Accidents on the Road, London: The Times Publishing Company, 1951.

Public indifference began to erode as motor cycle registrations and accident levels gradually built up. While indications are that many of these motor cycles were probably used largely for commuting purposes, the sporting aspect remained as strong as it had been before 1939.⁴⁸ During the summer of 1951, Francis Jones, the influential columnist with the industry's journal, The Motor Cycle and Cycle Trader, warned that public opinion was beginning to shift against motor cycles and motor cyclists. Jones opined that the "gravest problem facing the industry at present" was the "continuing increase in motor cycle accidents." He also passed on information that he had picked up from a contact with the Metropolitan Police that, in the face of a 90 per cent increase of motor cycle accidents, the manufacturers might be confronted with "repressive" legislation such as the compulsory use of helmets.⁴⁹

Yet, in spite of the growing number of accidents and fatalities, many in the upper ranks of the industry along with workers on the factory shop floor, remained stubbornly loyal to

48. As one popular motor cycle journalist put it: "For surely sport is very near the heart of most of us. Although tens of thousands use their motor cycles solely for pleasure and transport, there is scarcely a rider whose thoughts do not turn towards the Isle of Man TT when June comes round." See Motor Cycling Year Book 1951, compiled by Peter Chamberlain and the staff of Motor Cycling. London: Temple Press Ltd., 1953, p.vii. J.M. West noted that many motor cycles could be used for commuting purposes during the week and then easily modified for sports use on the weekends. See J.M. West interview, 23 November 1994.

49. See Francis Jones, 'Motor Cycle Matters', Motor Cycle and Cycle Trader, 27 July 1951, pp.273-274; the Manufacturers' Union was not blind to the threat either. During the summer of 1951, some of the leading executives discussed what improvements could be made on their machines to make them safer to use, although they were reluctant to adopt any which were too costly or might impair the speed or performance of their motor cycles. See memo prepared by Major Watling, dated 10 August 1951, entitled 297/51: Committee on Road Safety: Investigation of Motor Cycle Accidents, contained in Guardbook MRC MSS 204/3/1/71.

the primacy of racing, with the emphasis on fast, powerful motor cycles of between 350cc and 500cc engine capacity, as the underlying criteria of success. Although criticism was building in the press about the high level of accidents that occurred during the Isle of Man TT races, others viewed the hazards of competitive sport as an unavoidable evil.⁵⁰ In 1953 recently retired Union Director Major Watling, for one, took a decidedly philosophical approach to these deaths. They were regrettable, he agreed, but in the end were a "grievous burden that had to be shared by all as the price of progress."⁵¹

The fact was that the sports ethos continued to permeate the industry at virtually every level. Each June, as they had for years before, senior management would make their regular pilgrimage to the Isle of Man to attend the TT races. It seemed to be almost an obligation for the managers to see and be seen at Britain's premier race track.⁵² Nor was it only Board room members who cheered on the racers from the grandstands. Not only were racing results often broadcast over the Woolwich factory's public address system, but, on at least one occasion, AMC gave nearly 200 of its employees the day off to allow them to go up to 'The Island' and attend the Senior TT race. By its own account,

50. For critical press coverage, see the Manufacturers' Union Newspaper Clipping book, MRC MSS 204/10/1/3, particularly a story from The Sketch, (no date but almost certainly June 1954) entitled 'This TT is Madness. Death and Fear end Island Race' by Len Smith.

51. Watling had retired as Director of the Manufacturers' Union in January 1953. His comments about racing fatalities were reported in the Motor Cycle and Cycle Trader, 13 June 1953, p.153.

52. For details of Managing Directors and other senior executives who attended the Isle of Man races, see for example, 'Norton's TT Double', 15 June 1951, p.146, 'TT Coverage', 25 June 1955, pp.154-155, and 'Personalities seen on 'TT' Island', 23 June 1956, p.149, all from ibid.

the company even gave preference to enthusiasts in its shop floor hiring policies. Managing Director Donald Heather was once quoted as saying that he believed "firmly that as motor cycles are sold to enthusiasts they can only be built successfully by enthusiasts, so other things being equal motor cyclists get preference for jobs at Woolwich."⁵³

Nor was it unusual for company chairmen to explain the importance of racing to their shareholders. At the 1955 Annual General Meeting, for example, AMC chairman S.R. Hogg proudly announced further victories of the Group's motor cycles at the TT. He assured his audience that these successes "have undoubtedly helped greatly to maintain the prestige of our products, while the knowledge which we obtain of the performance of our machines under the strenuous conditions of open competitions, is of great benefit to our Technical Staff in their constant efforts to improve the quality of our products."⁵⁴

Other industry leaders made a point of regularly stressing the importance of motor cycle racing as a form of research and development. Gilbert Smith, then Managing Director of Norton Motors, speaking in 1951 at a luncheon sponsored by the Manchester Motor Trades, left no doubt about the central place of racing for his firm and, by implication, for much of the rest of the industry:

53. See The Motor Cycle, 13 May 1948, untitled story on p.384. The employees, however, had to pay their own expenses. Heather's quote on AMC hiring practices is from a biographical feature about him, contained in the Export Trader, June 1948, pp.243-45.

54. See AMC Chairman's speech of 4 February 1955, on deposit at the Guildhall Library. Racing successes were also mentioned by BSA Chairman Bernard Docker in his speeches to the shareholders in 1953. He also praised the Triumph subsidiary for winning the world speed record in 1955. See the Chairman's Speech delivered on 5 December 1955, contained in MS 321/A.

We do not race for fun, or merely for publicity. Our racing machines are travelling laboratories and our riders are, in fact, research workers. All these activities help to improve the standard machines.⁵⁵

Others repeated this theme. For example, one article published in a journal circulated amongst overseas distributors of British motor cycles, put strong emphasis on the close correlation between success on the race track and continuing high sales levels. Moreover, it was maintained that British motor cycle design had been in essence created by racing and this in turn affected the way it was seen and appreciated by motor cycle buyers around the world:

There is usually something distinctive in the feel and handling of a British machine, something that has resulted from the years of development and experience gained through a continuous series of sporting successes at home and abroad, as well as through factory testing and experiment.⁵⁶

The manufacturers' orientation to motor cycling sports activity found other ways of expression. Not only did they produce movies highlighting this theme - BSA released two alone in 1955 ('Stars in Action' and 'Gold Star') - but petroleum and accessory companies also made their contributions. Castrol produced two colour movies in 1952 ('Motor Cycle World Championships' and 'European Motor Racing') and another ('Round the TT Course with

55. Smith went on to declare that the Norton racing team "really embraced everyone in the factory, for all the workers were 'back-room boys'." His remarks were reported in 'Concern at low-priced exports from Europe', Motor Cycle and Cycle Trader, 29 June 1951, p.173.

56. See 'Sport and Speed', British Cycles and Motor Cycles Overseas, June/July 1950, pp.234-247. See also ibid, 'Improving the Breed' June/July 1952, pp.70-74. In an article published in BSA's house journal, Competitions Manager Dennis Hardwicke endorsed Norton Motors Managing Director Gilbert Smith's earlier remarks, declaring that the "competition machine has been proved invaluable as a mobile laboratory." See 'Improving the Breed', BSA News, Spring 1954-1955, pp.8-11.

Geoff Duke') in 1953. Dunlop Tyre Co. released their own production ('Twistgrip') in 1952.

As before the war, the pages of virtually every issue of the two main popular motor cycle journals, The Motor Cycle and Motorcycling, continued to be full of coverage of sporting events, everything from grass track, speedway and scrambling to road racing. There were also other forms of literature devoted to sports. BP, for example, produced an annual review of the Isle of Man TT races in a popular paperback book format, Shell produced a guide to European Motor Cycle Racing and BSA distributed a review of its own racing victories.⁵⁷

Even the British government played its part in promoting motor cycle sports. In 1955, the Central Office of Information produced a fourteen minute feature about various forms of motor cycle sport entitled 'Tough on two wheels' which was released to cinemas throughout Britain in cooperation with MGM. There is no evidence that movies were ever released dealing with non-sports themes - stressing the advantages of commuting, for example.⁵⁸

Nor did these films lack appreciative audiences. In one instance, a motor cycle dealer in Cambridge arranged a showing of several films on the Isle of Man TT races, which had been loaned

57. The series on the TT races was produced annually by BP and contained biographical sketches of the racers along with a brief historical background and racing statistics dating from 1907. The Shell Guide and the BSA review are on deposit at the BP Archives at the University of Warwick. Other books published during this period catering to motor cycle sports enthusiasts included A. St. J. Masters, Motor Cycle Sport, London: C. Arthus Pearson Ltd., 1958, G.S. Davidson, Racing Through the Century, Coventry: W.W. Curtis, 1951, Ted Mellors, Continental Circus, Coventry: W.W. Curtis, 1949 and Phil Drackett, Speedway, London: W. & G. Foyle Ltd., 1951.

58. News of the films was reported in the Motor Cycle and Cycle Trader, 2 April 1955, p.5, 11 January 1952, p.258, 30 May 1953, p.135, 21 September 1951, p.344. The story about the COI film appeared in the 20 August 1955 issue at p.276.

to him by Shell-Mex and BP. The hall where the movies played was packed for two days running with hundreds of attentive enthusiasts.⁵⁹

Such expressions of loyalty to sport were not shared by all within the industry. Francis Jones warned again of the possible repercussions from what he called "the high performance obsession" as well as "the belief that motor cycling is essentially a form of sport." Success on the race track probably did have a positive impact on sales figures, at least among dedicated motor cyclists and enthusiasts generally. It is more debatable whether or not race track prowess directly assisted in the design of better commuter machines or attracted non-enthusiasts. There was, however, little doubt that this emphasis on sport exacted a high price in terms of public opinion.⁶⁰

Such was the case when a correspondent for an insurance industry trade journal visited the 1951 Motor Cycle Show. He was clearly impressed with quality of the machines on display, but was doubtful about how safely they would be operated. It was true, he noted, that they were well built and "are perfectly 'safe' in themselves - just like razor blades, gun-powder, matches and atom bombs are 'safe'." From the perspective of the insurance industry, he concluded there were "far too many youngish fellows who buy powerful solos and promptly set out to test, on public roads, whether their machines will really clock 100 mph and more."⁶¹

59. Ibid, 'Cambridge Film Show', 6 April 1951, p.8.

60. Ibid, 'Motor Cycle Matters', 18 April 1952, p.65.

61. See 'The Motor Cycle Show' by 'Spero', Post Magazine and Insurance Monitor, 1 December 1951, pp.1279-1281, contained in PRO MT 108/8. Emphasis in the original.

Were the claims that British motor cyclists were as sports oriented and 'speed mad' as the industry leaders and their critics seemed to believe, or were they simply exaggerated? This is a difficult question to answer since the industry did not commission professional marketing surveys at this time. However, in early 1954, a Gallop Poll was conducted which provides an informative profile of British motor cyclists, even if it does not completely resolve the question of the primacy of sport during the 1950s.

Among other things, the survey reported that there was close to a 50/50 split between those who claimed they used their motorised two wheelers (the survey included moped and scooter users as well as motor cyclists) for transport, as against those who used them for pleasure or as a hobby. In terms of sports orientation, 40 per cent indicated that the Isle of Man TT was the main focus of their interest, followed by scrambles (22 per cent), other road races (13 per cent), dirt track racing (11 per cent), reliability trials (7 per cent), grass track racing (6 per cent) and speed record attempts (1 per cent).⁶²

But the most revealing aspect of the poll was the answers to the questions put to the respondents about whether their next purchase would be either another motor cycle or a motor car. Some 36 per cent of current motor cycle owners indicated they would buy a motor car, 48 per cent another motor cycle of indeterminate size and only 1 per cent a moped or scooter. The

62. The results of the Gallop Poll were published in the Motor Cycle and Cycle Trader, see 'Cycles and motor cycles for business and pleasure', 9 January 1954, pp.276-278. No details of the methodology followed by the Poll takers, including the size of the sample or the geographic location of respondents, was provided.

poll clearly showed that a large proportion of Britain's motor cyclists saw themselves in a temporary 'half-way house' on the way to motor car ownership.⁶³

More reliable data about motor cycle owners appeared several years later in an academic study. This work, based on a recent social survey, reinforced what more impressionistic observers had discovered much earlier. According to the survey, owners tended to be male (95 per cent) and mostly under 35 years of age (very few motor cycles were owned by people over 55). These owners were mainly in skilled manual labour occupations, with total incomes between £200-£399. By contrast, motor car ownership tended to increase proportionate with income, rising steeply among those with total incomes over £600.⁶⁴

Whatever their income level or social class, it is likely that many, possibly a majority of motor cyclists, had some interest in motor cycle sports, and this in turn might have had some effect on riding behaviour. It is also likely that rising levels of aggravation and accidents with other road users resulted, at least to some extent. More significantly there had been a vast

63. The low interest expressed by some of the respondents in buying another moped suggests that many current owners were first time buyers. This poll seems to have been unusual for its time, since shortly afterwards, columnist Francis Jones urged the Manufacturers' Union to commission market research on behalf of the entire industry. See 'Motor Cycle Matters', *ibid*, 23 January 1956, pp.320-21.

64. See R.F.F. Dawson, 'Ownership of cars and certain durable household goods', Bulletin of the Oxford University Institute of Statistics, May 1953, p.181, pp.185-187 and p.191. According to figures published several years later, only 12 per cent of working class homes had a motor car, compared to 41 per cent of middle class homes. For motor cycles, 7 per cent of working class homes had one compared to 6 per cent of their middle class counterparts, leading one to suspect that many working class persons commuted either by foot, bicycle or public transport. See 'Service without a smile', The Economist, 14 December 1957, pp.934-935. Thanks to Hideo Ichihashi for providing these two references.

increase of all road vehicles on a road system that was incapable of handling the volume of traffic. There were many in the industry who agreed that this was a problem which they would soon have to address.⁶⁵

As highly vulnerable road users, motor cyclists naturally suffered a correspondingly higher accident rate. In the words of one consulting surgeon, J.S. Horn, "how many motorists can drive for five years without having a slight bump hard enough to dent a mud wing? They get away without injury - but the same bump to the more vulnerable motor cyclist is enough to kill him and his passenger."⁶⁶

The Government became so alarmed that details about the extent of these accidents were provided directly to Prime Minister Anthony Eden. In fact, as early as 1951 the accident rate had attracted sufficient attention that the Ministry of Transport had set up a special Sub-Committee of the Road Safety Committee to study the motor cycle accidents.⁶⁷ At one of its meetings, Major Watling vigorously defended the industry's record in the area of safety and refused to concede that there was anything wrong with British built motor cycles. Although he insisted they were not inherently dangerous, the manufacturers had already taken

65. See minutes of the Motor Cycle Manufacturers' Section, 23 November 1951, contained in Guardbook MRC MSS 204/3/1/72.

66. See document entitled 'Committee on Road Safety, meeting at BSH on 19 July 1951. Matters arising out of previous minutes.' Contained in PRO MT 108/8. Presumably, although it was not explicitly stated, the same vulnerability would apply to bicyclists as well.

67. Among other things, the Prime Minister was told: "The increase of accidents to motor cyclists is especially serious. If you ride a motor cycle, your chance of being killed is 40 times, and your chance of being injured 20 times, higher than if you are in a car." See document signed by the Minister of Transport and Civil Aviation', dated 6 March 1956 and entitled 'Road Safety', p.4., point 16, contained in PRO PREM 11/1047.

measures on their own initiative to improve them. He gave the example of further standardisation, such as handle bar control levers, as proof of their commitment to this goal. Motor cycles, Watling maintained, "were quite safe if properly handled."⁶⁸

There was one aspect of motor cycle safety which was particularly sensitive. The manufacturers were highly defensive about the question of helmet use, which they perceived as an implicit admission that motor cycle accidents could result in serious head injury. In fact, they went so far as to ban a poster designed for the 1955 Show, which depicted a motor cyclist wearing a helmet, on the grounds that it was "undesirable." Ministry of Transport personnel discovered that many motor cyclists were very resistant to measures designed to protect their health. This was particularly true of helmet use. Ministry officials noted that, despite the fact that 50 per cent of all motor cycle accidents involved head injuries, there was "a psychological difficulty in that young men (who form a substantial part of the motor cycling public) tend to regard crash helmets as something effeminate."⁶⁹

68. Watling's remarks are recorded in the Committee minutes of the meeting of 29 October 1951. During the meeting, Watling argued against a proposed requirement for manufacturers to provide instructions along with their motor cycles on the grounds that it was "unreasonable." He also opposed the compulsory use of direction indicators on the grounds that while they might be helpful they were too unreliable for regular use. He went on to criticise the possible requirement of rear view mirrors as being "more of a danger than an aid to safety." See 'Minutes of meeting of 29 October 1951', contained in MT 108/8. Watling's remarks were subsequently supported by Graham Walker, editor of Motor Cycling, who was invited to appear at the Sub-Committee meeting of 20 November 1951. Ibid.

69. See Minutes of Council meeting of 4 October 1955, contained in Manufacturers' Union Guardbook, MRC MSS 204/3/1/81. The Ministry's opinion is found in document No. 23, entitled 'Crash Helmets', contained in PRO MT 108/11, "Committee on Road Safety. Sub-Committee for the Prevention of Accidents to Motor Cyclists, 1951-1954."

Nor did everyone share Major Watling's confidence in the safety of contemporary motor cycles, or more specifically the competence of the riders. For example, C.B. Hewitt, Deputy Secretary of the Institute of Automobile Assessors, wrote to the Sub-Committee and specifically criticised the riders as the root cause of the high accident rate.⁷⁰ And some civil servants had become so exasperated by the safety problems surrounding motor cycle use that they actually contemplated distributing free of cost a number of side-cars as a way of slowing down solo motor cyclists.⁷¹

The government's concerns about levels of motor cycle accidents were set out in the Sub-Committee's Report to the Minister of Transport on Motor Cycle Accidents, published in 1952. The Report made a number of observations about the hazards of operating motor cycles on British roads. Because of the inherent lack of protection for either rider or pillion passenger, the

70. Hewitt noted that the mechanical condition of the vehicles concerned would have some effect on accident rates. He added: "The Committee, however, takes the view that the real trouble is that machines capable of very high performance are, for the most part, placed in the hands of youths whose main idea is speed and who do not realise the dangers involved. Broadly speaking, it seems to them that it is not so much the machine but the circumstances surrounding its use at a particular moment which matter. In other words, the power to produce speed is there, but not always the ability to control it." See C.B. Hewitt to S.G. Griffin, Secretary of the Committee on Road Safety, 1 November 1951, contained in ibid.

71. W.H. Glanville, an official with the Department of Scientific and Industrial Research, called for all motor cycles to be fitted with compulsory side cars, supplied free of charge. He claimed that recent accident statistics demonstrated that motor cycle/sidecar combinations were one of the safest types of motor vehicles on the road. Glanville did, however, concede that as many motor cyclists considered top mechanical performance a major priority and they might not want the sidecars, free of not. See untitled clipping from the News Chronicle, 3 July 1953, contained in T228/42, entitled 'Motor cycle taxation'.

danger was termed "extremely serious."⁷² As evidence, it was noted that during 1950 some 37,390 motor cyclists and their passengers had been either injured or killed, compared with 32,771 in 1938. The Report did, however, note that at least a part of the rising toll of motor cyclists was a reflection of higher levels of motor vehicle traffic on congested roads.⁷³ It was also observed that close to 50 per cent of accident victims were young men between the ages of 19 and 27. The Report stated that many of these young male riders had female pillion passengers and may have yielded to the "temptation" to "show off by driving at excessive speed" and this was yet a further hazard contributing to these high accident rates.⁷⁴

The numbers of motor cycle accident fatalities, especially amongst young men, continued to mount throughout the following years. In 1951, the year petrol rationing ended, some 117 motor cyclists aged between 15 and 19 were killed in accidents (compared to a total of 887 killed by all causes in the same age group). According to a survey conducted in 1958, motor cycle accident fatalities had climbed to 298 (compared to 835 in the same age group killed of all causes). Even more significantly, another study commissioned in 1957 noted that motor cyclists riding machines of less than 250cc had a lower accident rate than

72. See Report to the Minister of Transport on Motor Cycle Accidents, London: HMSO, 1952, p.4.

73. Ibid, pp.4-5.

74. Ibid, p.5. It was estimated that 50 per cent of the motor cyclists injured were under 27 years of age and that 75 per cent were under 35. See also 'A Review of Information on Motor Cycle Accidents', dated December 1951, prepared by H.J.H. Starks, contained in PRO MT 108/8.

those using larger sized models. Scooterists, it was noted, also had a lower accident rate.⁷⁵

All this had a considerable impact on press coverage, now more negative and sensationalist than ever before, of the perils of motor cycle riding, especially with respect to the larger, more powerful models. As during the late 1920s, motor cyclists again believed themselves to have become a beleaguered species. One motor cycle dealer reported that he had been dismayed to hear an episode from the popular BBC radio programme 'The Archers' which contained critical comments about motor cycles. In Bournemouth the local police chief was reported as calling motor cyclists "perfect pests". In his mind, the problem seemed to be related to the age of the riders and the nature of their machines: "Many of the young riders are on high-powered machines which they cannot handle and don't understand and they will gad about the town on them instead of going off into the country."⁷⁶

The effect of the bad publicity did more than simply give motor cyclists a bad name on radio serials or around sea-side resorts. The primary result of this negative press coverage was the

75. See 'Motor cycle accidents to male teenagers: A contemporary epidemic' by J.A.H. Lee, Proceedings of the Royal Society of Medicine, May 1963, pp.365-367.

76. The dealer in question, John Hall, of Clarks (Oxford), wrote in to the industry's trade journal, declaring that for him "the last straw" in all the anti-motor cycling sentiment he had heard happened while listening to the 'Archers' when one of the principal characters, Phillip Archer, mentioned to his family that he was about to exchange his motor cycle for a car, "because his mother says 'she gets a funny feeling every time he puts his leg across the saddle ... they are pretty dangerous things aren't they? ... they are awful in bad weather,' and several other remarks, all in the same strain." See letter to the editor, 'Unfavourable motor cycle propaganda', Motor Cycle and Cycle Trader, 14 November 1952, pp.133-134; see "Motor cycles becoming a 'perfect pest'", Bournemouth Daily Echo, 15 September 1955, contained in the Manufacturers' Union press clipping book, MRC MSS 204/10/1/3.

creation of ill-will among politicians and civil servants, the very people the industry would increasingly depend upon for cooperation in issues such as the export trade and the revision of legislation. Equally important, it also had the effect of once more antagonising parents of potential motor cyclists, which the industry itself had already identified as an important damper on sales in the home market.⁷⁷

The industry did not stand by passively amid this barrage of criticism. The Union hired a full time Public Relations Officer (PRO) in order to try and influence press coverage or at least refute the negative coverage, when possible. The Union worked together with the RAC and the ACU to set up motor cycle training programmes around the country to defuse some of the concern about young riders buying powerful motor cycles without adequate preparation. Moreover, as evidence of their commitment to safer motor cycling, the Manufacturers' Union decided to arrange for the publication of a booklet entitled Road Craft, which would accompany each new motor cycle sold.⁷⁸

The Union even sponsored the production of a feature movie, which was released throughout Britain and later Australia and North America. Made at the cost of £12,000 and entitled The Black Rider, it attempted to depict motor cyclists in a positive light, to soften the image often highlighted in the press reports.⁷⁹ The Manufacturers' Union also sponsored a pavilion at

77. See Publicity Committee minutes, 31 August 1955, contained in the Manufacturers' Union Guardbooks, MRC MSS 204/3/1/81.

78. See minutes of the Motor Cycle Manufacturers' Section meeting of 12 March 1953, contained in Manufacturers' Union Guardbook MRC MSS 204/3/1/75. The Union provided, free of charge, a number of motor cycles for the use of the RAC/ACU Training Scheme.

79. Heavily influenced by Cold War politics, the movie depicted a group of motor cyclists who foil the plans of foreign agents to

a number of events designed to attract large numbers of young people. For example, it displayed a wide range of models, from mopeds to large displacement sports machines, at both the Hulton Exhibition (a show organised for British youth) and at the Boy Scouts Jubilee Jamboree.⁸⁰

The safety issue created severe problems for the manufacturers, but far more ominous was a longer term trend only just becoming discernible in the early 1950s. This was a far-reaching shift in consumer tastes, which began several years before, away from the traditional medium and heavyweight machines to lighter weight models. The significance of this development, amounting to a fundamental re-alignment of buying habits, was one that most of the major manufacturers failed to grasp until it was too late.

One factor in particular underlay this shift in public tastes. Although living standards had improved since 1945, there was still a shortage of personal motorised transport aggravated by the motor car industry's inability to fully satisfy home market demand because of its high export quotas. There were also those consumers who wanted more than a bicycle, may not have wanted a full-sized motor cycle but could not afford a motor car. The

steal Britain's atomic secrets. According to the Manufacturers' Union Publicity Committee, the object of the Black Rider was to show motor cyclists "in the most favourable light, providing entertainment and, at the same time, valuable propaganda for the motor cycling movement." See minutes of the Publicity Committee, 26 June 1957, contained in the Industry Association Guardbooks, MSS 204/3/1/86. The film enjoyed modest financial success as well, and by 1955 had already recovered £5,000 of its costs. See Industry Association Council meeting of 24 May 1955, contained in Guardbook MRC MSS 204/3/1/80. Two years later, the Association was informed that "millions of people had now seen it." See Minutes of the Motor Cycle Manufacturers' Section, meeting of 9 May 1957, contained in Guardbook MRC MSS 204/3/1/85.

80. See Minutes of the Publicity Committee, 14 May 1956, and memo entitled '342/57 Boy Scouts' Jubilee Jamboree', dated 23 July 1957, contained in Guardbooks MRC MSS 204/3/1/83 and MSS 204/3/1/86 respectively.

trend was reflected in changes in the type of motor cycles being registered for road use. In 1948, for example, there had been 210,688 machines with engine displacements up to 250cc and another 245,121 machines in the larger capacity classes. By 1952, however, the machines under 250cc had grown to 465,151, compared to 314,871 of the larger models. By 1956 there were 778,659 of the smaller machines and only 352,788 machines over 250cc registered. The growth in machines of the lightest weight category, those with engines of less than 60cc displacement (mopeds and cyclemotors) was particularly marked. In 1950, there were 29,297 of this type on the road. Two years later the numbers had swollen to 120,472 and in 1956 they reached 246,443. [See Appendix 1, Table XIV].

This growing demand created an opening for the motor cycle industry. During the late 1940s and throughout the 1950s, some of the smaller, more dedicated producers, made many, albeit clumsy and tardy, efforts to respond to changing public tastes in motorised two wheelers.⁸¹ As described earlier, at the end of the 1930s, a number of smaller British firms from outside the established industry had tried to develop what was then known as the 'ultra-lightweight' market. The pre-war 'autocycles' (an early form of moped) were replaced after 1945 with the so-called 'clip-ons', small engine units which could be attached to

81. Unlike motor cars, motor cycles were not covered by the so-called 'Covenant Scheme' which in the interests of holding down the price of used cars in a sellers' market, prevented motor car owners from re-selling their machines for a stated period of time. The subject came up for discussion during the course of a meeting of the Motor Cycle Manufacturers' Section, in the general context of black market selling of motor cycles. The Section opposed the extension of the Covenant Scheme to their trade. See Section Minutes for 23 November 1951, contained in the Guardbook MRC MSS 204/3/1/72.

bicycles. This was a shift in production that one trade journal called the "most interesting development" in the motorised two-wheeled industry that had been seen for years.⁸²

EMI, for example, had purchased Rudge-Whitworth just before the war and built a new factory in Hayes, Middlesex. Although it never resumed production of the traditional, large capacity Ridges, it did enjoy considerable success with the 'Cyclemaster' - a clip-on variant, well known by its motto, 'The magic wheel that wings your heel'.⁸³ By 1950 there were ten firms building these units, many of them small scale producers, some all-British in construction, others using foreign components. Still, it was remarked that the British were still far behind Continental manufacturers in the lightweight field.⁸⁴

The basic 'cyclemotor' and 'clip-on' were familiar concepts to the British industry. However, the more sophisticated imports which began to flow in from the Continent after 1950 were a

82. For an overview of these 'ultra-lightweight' machines, see Peter Watson, 'Permanent Attachment', Classic Bike, August 1984, pp.22-26. The trade journal was British Cycles and Motor Cycles Overseas, which also noted that these attachments were distinct from the old autocycles and that they had been available on the Continent much earlier than in Britain. See the December 1951 issue, feature entitled 'Auxiliary Power Units', pp.190-191. For a contemporaneous article, see 'Why not a cyclemotor?' by 'Nitor', The Motor Cycle, 16 April 1953, pp.460-461.

83. At first the 'Cyclemaster' was sold not through cycle or motor cycle retailers but through the motor car trade. See untitled news item contained in British Cycles and Motor Cycles Overseas, August/September 1950, p.357. A Cyclemaster company brochure outlining the various features of the unit is contained in FBI archives, MRC MSS 200/DEC/3/3/C149.

84. The Motor Cycle and Cycle Trader ran a series of articles on these 'clip ons', such as 'The Cyclemaster is here' 16 June 1950, p.418 and 'Auxiliary motor units' 15 December 1950, p.290. These units ranged in price from £18 to £40. Most of the companies were small, such as Bantomoto, Cyclaid, Montgomite, Mosquito and Power Pak. However, Tube Investments subsequently joined EMI with its 40cc rotary engine unit called the 'Power Wheel'. British bicycle companies were also slow to enter the moped trade.

different matter altogether. These were purpose built motorised (50cc or less engine) bicycles, which became known as 'mopeds'. By 1955 one trade journal noted that British manufacturers had fallen behind their Continental rivals, having failed to react quickly enough and come out with their own domestically produced mopeds. As early as 1953 there were already 500,000 of these units in use in Italy while only an estimated 175,000 were found on British roads.⁸⁵

Nor, in the immediate post-war years, had British bicycle firms entered the moped market. Initially, they believed that increased moped sales would not necessarily shrink the bicycle market. Instead, the dominant opinion among bicycle industry managers was that mopeds "seem to have appealed to an entirely new public who have not hitherto been attracted to two wheeled transport." Like their motor cycle counterparts, within a few years the bicycle industry would also come to revise this judgement on the moped.⁸⁶

The real threat, however, arose from the growing levels of imported scooters. This machine, which differed in several significant ways from the orthodox motor cycle, was created amongst the economic shambles of post-1945 Italy, where much manufacturing industry had been destroyed during the war.

85. The Motor Cycle and Cycle Trader remarked: "Two or three years ago, it was perhaps permissible to regard the growing popularity of the cyclemotor as being possibly no more than a flash in the pan. We had seen these things come before - and go. History might repeat, or so it was argued." See 'The Cyclemotor Situation', 30 May 1953, pp.134-35. See also, for example, the leading article 'Is British Cyclemotor design now lagging?', ibid, 16 April 1955, p.43. Information of British production and Italian usage contained in 17 October 1952 and 2 May 1953 issues of ibid.

86. See 'Bicycles face the future', Financial Times, 28 January 1956, contained in newspaper clipping volume MRC MSS 204/10/1/3.

Ironically, the scooter which had been invented and then abandoned by the British during the 1920s, had been vastly refined by Italian engineers and subsequently by their German counterparts.⁸⁷ It had been designed and manufactured by non-traditional firms, particularly those emerging from the Italian aeronautics industry. These firms had been forced to find new uses for their factories, and cheap personal transport held particular potential.⁸⁸

Scooter use in Italy grew rapidly after its introduction in 1946. It became a social phenomenon, virtually unprecedented in motorised transportation. Production increased dramatically and scooters were soon seen on streets and roads all over Europe.⁸⁹ To many, it may have seemed to be the realisation of what critics in Britain during the inter-war period had been urging for so long and unsuccessfully, a true 'Everyman's' motorised two-wheeler.⁹⁰

87. The scooter is particularly distinguished from the orthodox motor cycle by, among other things, the rearward siting of its engine, its small wheels, seating arrangement and extensive bodywork. See C.F. Caunter, Motor Cycles, A Technical History. London: HMSO, 1982, pp.81-82. For a brief, general history, see Michael Webster, Motor Scooters, Aylesbury, Bucks: Shire Publications Ltd., 1986. Significantly, many British scooter manufacturers during the 1920s, such as ABC and Sopwith, had built aircraft during World War One. After 1945, the first attempts by British firms to again build scooter-like machines originated from aeronautics firms such as Bond Aircraft and Engineering (which made the 'Minibyke') and Swallow (producer of the 'Gadabout').

88. Vespa's chief designer, Corradino d'Ascanio, was a man who had little previous contact with motor cycles and had worked in the aeronautics industry during the war. See 'Italy - Where the Scooters come from', Scooter and Three Wheeler Yearbook, 1957, pp.14-18.

89. Vespa scooter production was only 2,484 in 1946 but had grown to 10,000 units during 1948. By 1955 this total had shot to 250,000 units (including machines built outside of Italy under licence). Figures are from ibid.

90. See 'Italy being changed by scooters', Motor Cycle and Cycle Trader, 19 September 1952, p.361 and also 'Object as Image: the Italian Scooter Cycle' contained in Dick Hebdige, op cit, pp.77-

Much of the popularisation of the scooter was helped by imaginative promotion by continental manufacturers such as the German NSU company (who built Italian machines under licence for several years), which, among other things, organised special summer camps for scooterists.⁹¹ Perhaps the strongest point about the scooter was precisely that it was not a motor cycle, making it especially popular with women and the middle classes.⁹² In other words its appearance created an entirely new stratum of consumers, a point certainly well recognised in the beginning by the British producer of the Vespa if not by the rest of the industry.⁹³

Although they had been long aware of developments in Italy, the initial response of British motor cycle manufacturers to the

115 and Gary Johnson, op cit. For a more contemporaneous analysis, see 'Scooters for the Millions', Financial Times, (no date, but probably late 1954) contained in the Manufacturers Union's newspaper clipping book, MRC MSS 204/10/1/3.

91. According to a report commissioned by the Manufacturers Union, the NSU company maintained an Adriatic camping site, which was open to all riders using their scooters at either minimal or no charge at all. The report termed this a "publicity coup" which had been widely covered by the European press. See Confidential Bulletin No. 22, dated May 1955 and entitled 'Developments in the German Cycle, Motor Cycle and Accessories Industry', contained in Guardbook MRC MSS 204/3/1/80. One British newspaper, The Daily Sketch, carried a story dated 2 July 1955 about an unnamed (but almost certainly NSU) scooter company's holiday camp, entitled 'They camp for 14 pence a day - if they arrive on a scooter.' The clipping is contained in the newspaper clipping book MRC MSS 204/10/1/3.

92. Several years later, Hugh Palin, Director of the Industries Association, noted that there was "no doubt that there is a great future in this market [scooters]. But most people feel that it has introduced an entirely new class of rider to motor cycling and has not in fact taken away from the motor cycle industry." See memo dated 7 August 1958, entitled '300/58. Director's Personal Report, contained in Guardbook MRC MSS 204/3/1/88.

93. See Hebdige, op cit. See also 'Scooters in Britain', Financial Times, 2 July 1955 and 'The Motor Cycle Export Battle', published on 28 May 1956. The latter noted that "the scooter, with its enclosed motor and quite high degree of weather protection, is both replacing the motor cycle and attracting a new class of motoring public." Both articles are contained in Guardbook MRC MSS 204/10/1/3.

growing popularity of these unorthodox, lightweight machines, which began to appear in the Home market around 1950, was amused interest quickly followed by frustration and anger.⁹⁴ In 1956, for example, Claud McCormack, Managing Director of Douglas, recalled the reaction of the industry several years before to the announcement that his firm would be manufacturing Vespa scooter under licence. They had, he said, laughed at his prediction of the coming popularity of the scooter amongst British consumers. Instead, he claimed, the "the motor scooter proved to have a remarkable 'boy meets girl' appeal. It created an entirely new market - safety and economy on two wheels."⁹⁵

This attitude was mirrored elsewhere in the industry. Many established motor cycle dealers displayed overt hostility to scooters and refused to service them. Indeed, the market began to split into two discrete parts, one made up of 'conventional' motor cyclists, both enthusiasts and commuters, many of whom were prepared to put up with comparatively poor quality control and perform their own mechanical work and the other consisting of the new 'scooterists' who were less likely to be mechanically inclined and willing to perform their own servicing.⁹⁶

94. One popular motor journal had actually reviewed a Vespa scooter years before it appeared on the British market. The article applauded its "many novel and interesting features" with an overall design that made it "especially attractive for town and short distance work." See 'The Italian Vespa', The Motor Cycle, 31 October 1946, p.343. Ironically, BSA had a scooter design prepared as early as 1944 but never acted upon it. There is a copy of this scooter patent in the BSA Collection at Solihull Public Library, item 245.

95. See '6/- shock swells the scooter boom', Daily Mail, 6 December 1956, contained in newspaper clipping volume MRC MSS 204/10/1/3.

96. For example, Peter Agg, British Lambretta concessionaire, criticised the "poor standard of service generally obtaining in the motor cycle industry" during a Manufacturers and Concessionaires conference on 25 February 1959. At the same meeting Vespa maker Claude McCormack observed that as a rule most

For several vital years, the majority of the industry's top managers simply did not appreciate the implications arising from the growing popularity of scooters and other lightweight models. To men like Donald Heather, Gilbert Smith and Jack Sangster, who had moved into executive positions in the industry during the inter-war period, the scooter must have brought back memories of the sales fiasco during the early 1920s. Now, once again, their inclination was to write it off as another passing fashion. As before, there would be a short period of experimentation followed by inevitable disillusionment, and consumers would go back to the traditional larger displacement, orthodox motor cycles. There was no pressing need to change manufacturing programmes.⁹⁷

There were those at the time who did realise what was happening and who tried to draw it to the attention of the manufacturers. In 1953 Francis Jones, the industry's long time gadfly, wrote that they had not been "quick off the mark with cyclemotors" and was "still more dilatory about motor scooters." Jones was not alone in his assessment. Several months later, in a well-publicised paper he read before a meeting of the South Birmingham Motor Cycle Club, George Beresford, a commercial artist, criticised the industry for design conservatism. Had the

scooter buyers are "largely newcomers with no mechanical knowledge." Minutes of this conference are contained in Guardbook MRC MSS 204/3/1/90.

97. Criticism on the tardiness of British motor cycle manufacturers to enter the scooter market were evidently widespread enough for Edward Turner, by then Managing Director of BSA's Automotive Division, to reply via an article published in the Financial Times. Turner implicitly criticised the past complacency of the industry's leadership (presumably including himself) when he wrote, "we must disabuse ourselves from the thought that the scooter has only a limited period of marketability. It is here to stay and I cannot conceive of it ever dying out." See 'Scooters: A British Challenge to the Continentals', Financial Times, 20 October 1958, contained in the newspaper clippings book MRC MSS 204/10/1/3.

manufacturers, he claimed, been more receptive to developments on the Continent, "there would now be at least twice as many motor cycles registered in this country as at present."⁹⁸ Similar judgements, moreover, were also being made in the broadsheets and the business press.⁹⁹

While there were those who criticised the industry for its inaction, there were others in the technical and popular motor cycle press who supported the position of industry leaders. Bob Holliday, an editor of the popular journal Motor Cycling, made it clear he was not impressed with the "tissue-paper-wrapped brick-bats thrown at our manufacturers for their alleged conservative nature." He believed that, far from being detrimental, the fact that British motor cycle makers had failed to copy some of the features of these best selling Continental imports or to alter their production programmes was a sound decision under the circumstances.¹⁰⁰

Holliday went on to describe what he thought was the overall strategy of the British industry:

There are features on foreign machines which are good, and which we could very well copy, but in the main I would say that the British methods of making haste

98. See Francis Jones, 'Room for new ideas', 13 June 1953, Motor Cycle and Cycle Trader, pp.162-163 and 'Is design in the doldrums?', The Motor Cycle, 25 February 1954, pp.242-243. See also, 'Are our designs too conservative?' by 'Dominator', ibid, 11 December 1952, p.738.

99. For critical commentary in the business press, see 'Expansion in UK cycle exports' Financial Times, 28 August 1954, 'UK Scooters enter fight for markets' Observer, 13 November, 1955 and 'Now Cycle firms are Worried', Manchester Guardian, 7 March 1956 all contained in the Trade Union Congress news clipping collection, file 12913. See also 'Scooters in Britain' Financial Times, 2 July 1955, contained in the Manufacturers' Union newspaper clipping volume, MRC MSS 204/10/1/3.

100. See 'Motorcycle Trends and Tendencies' by R.B. Holliday. Contained in The Motor Cycling Year Book 1953, compiled by Peter Chamberlain and the Staff of Motor Cycling. London: Temple Press Ltd., 1953. pp.3-4.

slowly is to our advantage in the long run. In this country we make motor cycles to sell, and if possible, to sell for hard currency. We are well aware that we have growing competition abroad, but our factory directors must know what they are doing for their own sales' returns tell them what is wanted throughout the world and, judging by the general reception given to their machines at Earls Court, they cannot be so far off the beam.¹⁰¹

In the event, as during the late 1930s, it was the smaller firms, such as Excelsior, Mercury and Norman, which first tried to respond to changing consumer tastes. However, their small production runs must have hampered their ability to compete on the basis of price. There were also problems with design, and the British-made products were manifestly not as attractive as the foreign machines. In contrast, Douglas, which built the Vespa under licence, and the Lambretta Concessionaires thrived. Indeed, by 1957 it was estimated that most of the estimated 115,000 scooters in use were foreign made and Britain had become one of Lambretta's best export markets.¹⁰²

Higher levels of imports were not the only problem facing British motor cycle manufacturers. In the early 1950s, a new threat re-emerged, one which was to destroy the industry's carefully constructed home market trading scheme. The Government's Report of the Committee on Resale Price Maintenance, released in 1951, did not recommend substantive changes to the Manufacturers Union's trading agreements, nor were they ever

101. Ibid.

102. An editorial in the Motor Cycle and Cycle Trader, written in the context of the introduction of the British built DKR 'Dove' scooter noted defensively that "[t]oo often - and sometimes quite unfairly - the makers of conventional British motor cycles have been challenged for their alleged backwardness in not acquiring quickly the Continental tastes that have developed since the end of the war, and have been exemplified in the scooter." Editorial entitled 'Eggs in several baskets', p.227. The estimate of foreign scooters comes from 'Burdens on an industry', ibid, 31 August 1957, p.277.

investigated by the Monopolies and Restrictive Practices Commission. Nonetheless, the industry remained apprehensive of any move to change its well-entrenched trading system, which they doggedly maintained was best for everyone, manufacturers, retailers and consumers alike. The Motor Cycle and Cycle Trader, for example, claimed that if the then Labour government implemented its plans to abolish price maintenance, it would result in a reversion "to the law of the jungle."¹⁰³

The subsequent publication of a White Paper on Retail Price Maintenance, which suggested that the Government might challenge their trading agreements, caused great consternation amongst industry leaders. Major Watling had warned Union members that the Government "proposes to abolish both individual and collective minimum Price Maintenance, giving the Manufacturer only the sole right to state his maximum retail price and leaving Dealers free, if they so wish, to sell the product at a lower price."¹⁰⁴ That, Watling continued, was not all. He understood that the Government also wanted to "control other types of trading arrangement which now discipline the Retail Trader and which might result in a restriction of competition." Watling suggested that the Union follow the lead of the motor industry and ask for a special exclusion from the proposed legislation on

103. For an overview of the Commission's activities, see Helen Mercer, 'The Monopolies and Restrictive Practices Commission, 1949-56: a study in regulatory failure', contained in G. Jones and M. Kirby (eds), Competitiveness and the State, Manchester: Manchester University Press, 1991; see leading article, "'Free-for-all' Price scramble", Motor Cycle and Cycle Trader, 29 June 1951, p.169.

104. See letter, A.C. Hill to Watling dated 25 July 1951, contained in PRO SUPP 14/351, emphasis in the original. See also memo dated 12 July 1951, entitled '258/51 - Retail Price Maintenance', contained in Guardbook MRC MSS 204/3/1/71.

the basis of a promise of better after sales service to consumers.¹⁰⁵

The Union took the position that its trading rules benefited the community at large. In a brief to the Board of Trade, Watling claimed that should the Bill currently before Parliament become law, the real victims would not be the manufacturers but rather British consumers. Watling maintained that one of the keystones of the Union's campaign to make motor cycles safer was its free after sales service, which was an obligation agreed to by all retailers party to the Resale Price Maintenance scheme. Abolishing resale price maintenance would endanger this campaign and make for more dangerous traffic conditions.¹⁰⁶ Moreover, if enacted, the legislation "would inevitably lead to price competition amongst dealers which could only be at the expense of the standard of service laid down by the Manufacturer, and expected by the public." This would also result "in the entry into the Trade of what are often described as 'kerb-side dealers' who offer no service to the public, who frequently deal in notes, and who have been a major factor in seeking to undermine the Covenant Scheme in the Motor Car Industry."¹⁰⁷

A year and a half later, the Union replied to an official query from the Monopolies and Restrictive Practices Commission (MRPC) about its price maintenance scheme. Although the Union tried to avoid the jurisdiction of the Commission and stall for time, by July 1955, following a report by the MRPC the month before, Union Director Hugh Palin realised that their trading agreements would

105. Ibid.

106. See memo dated 10 August 1951, '299/51: Retail Price Maintenance', contained in ibid.

107. Ibid.; Watling's draft letter was subsequently approved by the Council during its meeting of 2 October 1951.

have to be changed. Palin was especially concerned about critical press reports that had recently appeared on what was termed the "Star Chamber" proceedings of the CTU, the Union's enforcement body. In early 1956, the Union was faced with the likely passage in Parliament of the Restrictive Trade Practices Bill and reluctantly proceeded to wind up the CTU, which was certain to be made illegal, and to modify the existing agreements to avoid any inconsistency with the legislation. Thereafter, manufacturers would find it more difficult than before to control retail prices, discounts and other trade terms.¹⁰⁸

Whatever its troubles in the Home market, the industry could always congratulate itself on mounting export earnings.¹⁰⁹ For many years after 1945, these had been a consistent success story. From only 4,000 units in 1945, the industry sent abroad 74,000 machines in 1950. The following year a peak of 91,700 units motor cycles left Britain, an all-time record never again exceeded [see Appendix 1, Table XV]. Thereafter, exports progressively declined until the 1960s. There were several reasons why British motor cycles had become more difficult to sell overseas.

108. See memo to the Union Council, dated 27 May 1953, entitled '195/53: The Monopolies and Restrictive Practices Commission', contained in Guardbook MRC MSS 204/3/1/75; memo dated 15 July 1955, entitled '317/55: Monopolies and Retail Price Commission', contained in Guardbook MRC MSS 204/3/1/81; memo dated 23 March 1956 to the Proprietary Articles Manufacturers Committee, entitled '128/56. Restrictive Trade Practices Bill', contained in Union Guardbook MRC MSS 204/3/1/82; memo dated 22 October 1956, entitled 'Restrictive Trade Practices Act - Proposed Line of Action to be Followed by the Association and (where appropriate Individual Members)', contained in Guardbook MRC MSS 204/3/1/84.

109. See, for example, 'Advance of the British Motor Cycle Industry', 12 August 1952, Financial Times. Written by BSA's Export Manager, S.F. Digby, who claimed the "phenomenal growth" of the industry "could well be maintained steadily for many years, given free markets and a steady flow of raw materials."

It was true that the rearmament programme that accompanied the Korean War created scarcities of certain critical materials, especially steel, which hampered production albeit only for two to three years.¹¹⁰ There were also problems increasingly encountered with protectionism in hitherto favourable markets. For example, Argentina had been targeted in 1948 as a prime motor cycle export market.¹¹¹ At first these hopes seemed to be realised and motor cycle shipments rose sharply during this period. Only 271 machines had been sent in 1938, a total which jumped to 1,956 in 1947 and then reached a staggering 9,410 (or close to 20 per cent of total motor cycle exports) the following year. In 1949 Argentina had agreed to issue least 10,000 import licences and the future looked secure.¹¹²

Then this highly promising market abruptly crashed shortly afterwards when the Argentine government abruptly withdrew most of the licences. According to the Argentines, the cancellation of agreed-to quotas was caused by internal financial difficulties, especially their fast sinking sterling balances. However, as Major Watling sourly noted to manufacturers

110. The Manufacturers' Union Annual Report for 1952 noted "severe cuts" in their steel allocations along with those for nickel and other non-ferrous materials. See p.4. of the Report, contained in MRC MSS 204/4/3/2.

111. A lengthy report, based on information forwarded from the British Commercial Secretariat in both countries, was circulated by the Manufacturers' Union to a number of members. See memo dated 8 June 1948, entitled '172/48. USA and Argentina: Motor Cycle Exports', contained in Guardbook MRC MSS 204/3/1/63. As far as significance of British motor vehicle exports were concerned, it was noted that the Argentines still drove on the left side of the road until 1945. See news item in The Motor Cycle, 12 April 1945, p.261.

112. See 'Brief No. 3. Bicycles and motor cycles' contained in PRO SUPP 14/393. The British government negotiated import licences for 10,000 motor cycles worth £800,000 along with £50,000 worth of spare parts.

afterwards, there did not seem to be shortage of either French or Italian currency.¹¹³

In the years to follow, Argentine imports never reached anything like the 1947-1948 levels; in 1956 they had dropped to a miserly 5 machines.¹¹⁴ Subsequently, other nations began to accept fewer motor cycles than they had before. Once again, sterling shortages were blamed. Egypt, Denmark, Brazil and Finland - previously good markets - all clamped down on imports during the early 1950s.¹¹⁵

The most dramatic example of the problems facing the industry in world markets was the Australian market, which had consistently been the single most important destination for British motor cycles since long before the war. On average it had absorbed up to a quarter of the industry's exports on a

113. According to Ministry of Supply officials, the problem was that the Argentines had "spent wildly, over a billion dollars having been expended in the United States and apart from a few cars, they had little to show for it." Moreover, the Argentines were "desperately short of sterling and so it was more than likely that we would commence to purchase from them first, thus putting them in possession of sterling with which they could begin to trade." See 'Notes on informal meeting held at the Ministry of Supply, Room 736, Shell-Mex House, Strand, London, WC2 on Tuesday, 26th July, 1948, at 3 PM' contained in *ibid.* For the Union's reaction to the situation, see memo dated 13 December 1949, entitled '442/49: Argentina: Bicycle and Motor Cycle Exports' contained in Guardbook MRC MSS 204/3/1/67.

114. See memo dated 13 December 1949, entitled 442/49. Argentina: Bicycle and Motor Cycle Exports, contained in Guardbook MRC MSS 204/3/1/67 and draft memo dated 25 November 1957, entitled 'Bicycle and Motor Cycle Export Trade', contained in Guardbook MSS 204/3/1/87. The memo also resentfully noted that in 1956 Germany had sent 1,000 motor cycles to Argentina.

115. See memo dated 26 September 1952 entitled '285/52. Egypt - Exports' contained in Guardbook MRC MSS 204/3/1/74, memo dated 13 October 1955 entitled '426/55. Finland - Exports' contained in Guardbook MRC MSS 204/3/1/81, memo dated 5 October 1950 entitled '339/50: Brazil: Export of Cycles and Motor Cycle Goods', contained in Guardbook MRC MSS 204/3/1/69 and memo dated 28 December 1955, entitled '507/55. Denmark - Exports', contained in Guardbook MRC MSS 204/3/1/82.

regular basis.¹¹⁶ Then in 1951 this lucrative market suddenly closed down. Shocked British motor cycle manufacturers were informed that Australia had its own sterling crisis and would be severely limiting imports. After July, the flow of British motor cycles to Australia, which had until then averaged 1,000 per month, had sunk to a mere 100. The following year the Manufacturers' Union estimated that the closure of the Australian market had cost them 18,000 machines, all of which had to be absorbed, with great difficulty, elsewhere [see Appendix 1, Table XVI]. These restrictions were later eased off but Australia never again would be as significant an export market as it had been previously.¹¹⁷

Some senior members of the industry now realised that the easy selling of the post-war era had now ended. During 1952, Gilbert Smith, Managing Director of Norton, claimed in an article entitled "The Honeymoon's Over", that export sales would be much more difficult to sustain.¹¹⁸ His views were followed by an

116. Between 1945 and 1950 Britain exported a total of 105,000 machines worth £9,500,000 to Australia, making it the best single overseas market for British motor cycles. See 'Australia Reduces Exports', British Cycles and Motor Cycles Overseas, April/May 1952, p.41.

117. During a meeting of the Motor Cycle Manufacturers' Section meeting of 21 March 1952, the Australian restrictions were called a "very serious blow" to the British motor cycle industry. The minutes are contained in the Manufacturers' Union Guardbook MSS 204/3/1/73. In his speech to AMC shareholders on 25 February 1953, Chairman Hogg noted that the closing of the Australian market, which had been the company's largest single export outlet, had "seriously embarrassed the industry." See AMC Annual Report for 1952. See also memo dated 13 March 1952, entitled '88/52: Australia - Import Restrictions', contained in Manufacturers' Union Guardbook MRC MSS 204/3/1/72 and the Manufacturers' Union 1952 and 1953 Annual Reports, page 4 and 3 respectively, contained in MRC MSS 204/4/3/2.

118. Smith was quoted in a story entitled 'Greater attendance, more publicity, and improved display standards' contained in the Motor Cycle and Cycle Trader, 28 November 1952, pp.176-179. AMC Chairman Hogg noted that "our industry swung with great rapidity from a sellers' market to a buyers' market." See Chairman's

editorial in The Motor Cycle and Cycle Export Trader entitled 'Return to normal'. The journal warned manufacturers that the "postwar wave of unrestricted buying is over." Consumer spending would now be less plentiful and value for money was essential. Henceforth, they would have to work harder for their sales.¹¹⁹

Nonetheless, many industry leaders believed that the shrinking export markets were actually a reflection of poor representation on the part of the British government. The manufacturers were convinced that the industry was losing out in the series of bilateral negotiations that been concluded for a number of key markets since 1945.¹²⁰ What particularly incensed them was their conviction that Board of Trade negotiators were agreeing far too easily to restrictive quotas and tariffs. A tougher set of negotiators, they insisted, might have saved them valuable sales.¹²¹

speech to the shareholders, contained in the 1953 AMC Annual Report. Hogg's remarks were echoed by those of Enfield Cycle (Royal Enfield) Chairman Frank W. Smith in his speech to shareholders on 30 January 1953, contained in the company's 1953 Annual Report. Smith reported that motor cycle sales had become seasonal as they had been before 1939 and that the closing of export markets meant having to sell more machines on the Home market.

119. The editorial in The Motor Cycle and Cycle Export Trader, appeared in the March 1953 issue, pp.35-36. See also BSA Managing Director James Leek's remarks about export problems, noted in the BSA Management Minutes, meeting of 20 June 1952, agenda item 9305 and 'Maintaining the lead', BSA News, Spring 1952, pp.6-7.

120. In his speech to the shareholders made on 24 February 1949, Chairman Frank W. Smith of Enfield Cycles criticised the British government's handling of these bilateral trade negotiations, which he thought had resulted in higher tariffs and low quotas. His speech is contained in the Enfield Cycle Annual Report for 1948. During the meeting of the Manufacturers' Union Council held on 3 July 1951, mention was made of the "deplorable results of recent trade negotiations, particularly in the case of Holland." Other markets noted were Denmark and Belgium. See minutes of meeting contained in Guardbook MRC MSS 204/3/1/71.

121. During a meeting with the Minister of Overseas Trade at the 1951 Motor Cycle Show Manufacturers' Union President Kimberley and Director Watling took the opportunity to explain the

There were also concerns about their declining status among Whitehall officials and their Ministers. This conviction was reinforced when motor cycle manufacturers discovered, to their intense irritation, during a meeting with the Dollar Export Board in May 1950, that they had been lumped into the same category as perambulator makers, a seemingly less critical industry.¹²² Nor was the Federation of British Industries (FBI) much help. Major Watling was convinced that the FBI "seemed anxious not to be too critical of the Board of Trade and other Government departments" and would not effectively stand up for their members.¹²³ Increasingly, the industry seemed friendless in the corridors of power.

A stiff letter summarising the industry's grievances on the trade negotiations had already been sent to then President of the Board of Trade, Harold Wilson, via Federation of British Industries Director-General Norman Kipping, in 1949.¹²⁴ However, as Board personnel told Wilson, after he had asked for an investigation into the Union's complaint, these quotas and other

situation in export markets. Kimberley expressed the industry's concern "at the way in which their traditional markets in Western European countries were being closed one after the other; he felt this was mainly due to barter agreements being signed by these foreign governments which present the trade to others." He also suggested that British trade negotiations "had not realised the importance of getting import quotas for bicycles and motor cycles and their parts or had not taken a stiff enough attitude on this question." Kimberley also complained that the industry had not been consulted before the conclusion of trade agreements. See Document #38, entitled 'Export of bicycles and motor cycles, prepared by D. Simpson, dated 14 November 1951 and contained in BT 11/4452, entitled 'Japan/UK - Japanese Export Competition in relation to UK Cycle and Motor Cycle Industry'.

122. See memo dated 27 May 1950, entitled '191/50: Dollar Export Board', contained in Guardbook MRC MSS 204/3/1/68.

123. See Minutes of the Motor Cycle Manufacturers' Section meeting of 26 August 1952, contained in Guardbook MRC MSS 204/3/1/73.

124. The Watling-Wilson letter is contained in PRO BT 11/3996.

import restrictions were difficult to alter since the countries involved were either anxious to protect their own domestic industries or wanted to preserve sterling balances. There was only so much British government negotiators could do in order to convince their foreign counterparts to make any significant concessions.¹²⁵

Growing foreign competition was another factor which began to complicate British motor cycle exports. The manufacturers worried about incursions by Continental rivals, such as the Italian Moto Guzzi and Austrian Puch firms (albeit in the lightweight motor cycle class), into British export markets. The British were convinced that these competitors had unduly benefited from American aid programmes such as the Marshall Plan; they now had an unfair advantage. Thanks to this generous largesse, so they claimed, their factories had been rebuilt and re-equipped, "to an extent which would be quite impracticable and uneconomic for a British firm."¹²⁶ Another foreign rival, Czechoslovakia, exported lightweights into Australia, directly competing with the BSA Bantam. The Czech machine was much cheaper, even after taking into account a 17 1/2% import duty on non-British motor cycles.¹²⁷

125. See, for example, a memo from S.S. Holmes to various Board of Trade personnel, dated 16 August 1948 and a minute prepared by E.J. Halford-Strevens, dated 6 September 1949, both contained in Ibid.

126. See minutes of the Motor Cycle Manufacturers' Section meeting of 26 August 1952, contained in Manufacturers' Union Guardbook MRC MSS 204/3/1/73. In his speech to the Shareholders at the Annual General meeting held on 20 January 1954, Enfield Cycle Chairman Frank W. Smith specifically singled out foreign competition from Germany, Italy and Czechoslovakia as being of particular concern to his company. The speech is contained in the Enfield Cycle Company Annual Report for 1953, on deposit at the Guildhall Library.

127. See minutes of the Motor Cycle Manufacturers' Section, dated 4 June 1949, contained in Guardbook MSS 204/3/1/66.

There were other less obvious problems slowing the sale of British motor cycles overseas which the industry was aware of but had not mentioned in their briefs to the government. One enthusiasts' journal complained, for example, about how the poor appearance of displays of British motor cycles at a show on the Continent had hurt the reputation of the industry generally.¹²⁸ Overseas retailers continually complained of shipping delays, sloppy paperwork, badly packed motor cycles, poor servicing and a general shortage of spare parts. British manufacturers were also slow to provide their service manuals in languages other than English, even after repeated requests to do so.¹²⁹ More significantly, market reports prepared by the Union's own representatives highlighted factors which had little connection with either the effectiveness or determination of British trade negotiators. In fact, the biggest obstacle to sales was the fact that foreign tastes in motorised two wheeled transport had been steadily shifting away from the kind of products British factories produced.

The Dutch market is one example of how these changes in consumer preference adversely affected British exports. For example, during 1953 a highly critical article published in the

128. See leading article, 'British Cinderellas. Machines at Salons imperfectly displayed.' The Motor Cycle, 5 February 1953, p.163.

129. See, for example, memo '157/50: Canada: Motor Cycle Exports', dated 28 April 1950, and '192/50: Visit to USA and Canada', dated 29 May 1950, wherein Major Watling, during a sales tour noted reported he was "distressed" to discover that dealers were "grievously short" of both motor cycles and spares. The memos are contained in Guardbooks MRC MSS 204/3/1/67 and MSS 204/3/1/68 respectively. The problem existed elsewhere too, see 'Germany: motor cycle exports', dated 2 December 1952, contained in Guardbook MRC MSS 204/3/1/74. For criticism about English only service manuals, see '3/53 - Belgium - motor cycle exports', dated 1 January 1953, contained in ibid and '23/55. Germany', dated 20 January 1955, contained in Guardbook MRC MSS 204/3/1/79.

Dutch motor cycle enthusiasts' journal, Motor Kampioen, had been drawn to the attention of the Manufacturers' Union. It declared that, while it may have once been true that British motor cycles were supreme, this was no longer the case. German and Italian machines were now more and more successful, especially on European race-tracks, not just in the lightweight classes but even in the 350cc to 500cc engine classes, normally the preserve of British machines. This had made a considerable impact on Dutch consumers. But instead of trying to improve their products, the article concluded, British manufacturers seemed content to rest on past laurels and had not developed more competitive models.¹³⁰

Several years later a report prepared for the Union observed that the demand for the heavy weight British motor cycles in Holland was declining in favour of the mopeds and lightweight models manufactured by its Continental rivals. A number of causes were responsible for the decline. The report noted "changes in the standard of living of the section of the public interested in this type of transport, but more especially ... the fact that insurance rates for such motor cycles have increased considerably ... whilst prices in the second hand car market have considerably declined" and thus "the operating costs of a heavy-weight motor cycle and a small second hand car do not differ appreciably." Sales to Holland, which had reached 3,642 in 1946, had dropped to 343 in 1958.¹³¹

130. The article was referred to in a memo dated 7 December 1953, entitled '377/53: Motor Cycles - Propaganda', contained in Guardbook MRC MSS 204/3/1/76.

131. See 'Special Report on the Amsterdam Cycle and Motor Cycle Show', no date or author indicated but it was probably prepared by Director Hugh Palin in early 1957. Contained in Industry Association Guardbook series, MRC MSS 204/3/1/85.

Switzerland, another key British export market, was also buying fewer of the heavyweight motor cycles. One of Europe's few remaining hard currency markets that for many years had no import quotas, Switzerland had previously been well disposed to British motor cycles.¹³² However, by 1951, this too had changed. In part this was the result of new import restrictions, designed to protect Swiss currency reserves, but there was also an increased consumer interest in lightweight machines, particularly Czech Jawas and Austrian Puch models in the 125cc to 250cc classes. These, British manufacturers were warned, were not only cheaper than their machines but were better designed as well.¹³³

Moreover, they had been also cautioned that the Swiss were becoming impatient with the poor mechanical reliability of British motor cycles. For example, at a dinner sponsored by Triumph Engineering for its overseas agents held in November 1951, Managing Director Edward Turner heard sharp criticism

132. A letter from the President of the Swiss Motor Cycle Importers' Association to the Manufacturers' Union warned that British machines, particularly in the 350cc to 500cc classes, were losing out in popularity to Italian scooters, thanks to a combination of higher prices and design conservatism. See memo dated 26 November 1952, entitled '341/52: Switzerland - Motor Cycle Exports', contained in Guardbook MRC MSS 204/3/1/74.

133. The importance of the Swiss market was well recognised in the British trade press: see for example a story on the Geneva cycle and motor cycle show, contained in British Cycles and Motor Cycles Overseas, April 1949, pp.160-161. Switzerland was an open market until early 1951 when quotas were instituted. See memo dated 6 March 1951, entitled 'Switzerland: Export of Bicycle and Motor Cycle Goods', contained in Guardbook MRC MSS 204/3/1/70. An earlier report noted that British motor cycles were well established in Switzerland, having "an excellent reputation and considerable popularity." The same report also noted the ominous growth in sales of the Czech and Austrian machines. These models had design features such as chrome plating and a foot gear changer which came as standard equipment and were much appreciated by Swiss consumers. Evidently, British machines suffered badly in comparison. See memo dated 10 November 1948, entitled '356/48. Switzerland: Motor Cycle Market Report', contained in Guardbook MRC MSS 204/3/1/64.

voiced by a Swiss retailer. In future, Turner was told, motor cycles dispatched to Switzerland must be "trouble-free, neater and cleaner." In his reply, however, Turner airily dismissed these disquieting words. Swiss retailers, he said, had to understand that "there was a wide gap between the conceptions of a model and the delivery thereof in quantity." While foreign competitors might promise more, only his company exhibited what they could actually deliver.¹³⁴

Notwithstanding Turner's confidence, several years later another market report noted that there had been a continued decline in Swiss motor cycle registrations, the most serious drop being for models larger than 250cc engine capacity, the mainstay of British exports. Higher insurance premiums were blamed and it now cost as much to insure a 500cc motor cycle as a small car. Moreover, like their Dutch counter-parts, Swiss consumers were also buying greater numbers of mopeds and other lightweights, models which did not constitute a significant part of British exports to that market. Swiss sales, which had peaked in 1950 at 4,448 units, slumped to 164 eight years later.¹³⁵

[See Appendix 1, Table XVII].

134. See news item, Motor Cycle and Cycle Trader, 16 November 1951, p.137. Triumph was not the only British company so criticised. In 1949 BSA had received a number of complaints from Switzerland about their A7 500cc models, which had a disconcerting tendency of catching fire. Moreover, the electrical equipment on the lightweight Bantams was notoriously unreliable. See BSA Management Minutes, meeting of 9 September 1949, agenda item 9146, MRC MSS 19A/1/5.

135. See 'Switzerland: A Brief Market Report and Summary of Impressions of the Geneva Cycle and Motor Cycle Show, 1958', no date, prepared by Industry Association Director Hugh Palin. It is contained in Industry Association Guardbook, MRC MSS 204/3/1/88. See also 'Swiss motor cycle market drops in favour of small cars', Motor Cycle and Cycle Trader, 31 March 1956, p.436.

As the industry began to readjust to the unhappy combination of more difficult trading conditions at home and abroad, British motor cycle manufacturers were increasingly vexed with the growing flood of imports, which began after 1952. Even though the foreign machines did not directly challenge the domestic producers, being mostly lightweight models and scooters, it was nevertheless galling to see the inroads imports were making in British showrooms, hitherto the exclusive preserves of domestic producers since before 1914.

The manufacturers were acutely aware of these rising numbers of imports, coming at a time when domestic sales had begun to lag. In April 1956, Manufacturers' Union Director Hugh Palin wrote a confidential memo to members of the Manufacturers' Union Council and expressed his alarm over the industry's trading conditions. Comparing 1954 production totals with those of 1955, he noted a slight decline in output, from 184,057 to 182,603 units, although exports had slumped from 70,254 to 60,473 units. During the same period there had been a dramatic increase in imports, which had jumped from 7,057 to 46,277 units. Most of these were mopeds and scooters, indeed 41,457 of them had an engine capacity of less than 50cc.¹³⁶ [See Appendix 1, Table XVIII].

The imports kept on flowing into Britain. In 1956 some 18,500 foreign mopeds and 24,000 scooters entered the Home market which meant that around two-thirds of the up-to-150cc engine capacity class now originated from overseas manufacturers. In 1955 one half of these units had been imported. Yet, at the same time

136. By place of origin, 37,994 of the imports were West German, 16,200 Italian and 2,608 French. See memo dated 26 April 1956, entitled '173/56: Director's Personal Report', contained in Union Guardbook MRC MSS 204/3/1/83.

domestic production (including exports) dropped to 126,700 units and overall sales slumped to 150,228.¹³⁷ The industry was now in the worst sales recession since the war. The lower sales caused substantial redundancies through the industry. During the spring of 1956, AMC sacked 200 workers, followed by 300 at BSA and another 400 at proprietary engine maker Villiers Engineering. Managers attributed their cut-backs directly to the Government's credit squeeze.¹³⁸

This situation greatly disturbed the industry which now turned to the Government for help. A submission to the President of the Board of Trade made in 1955 blamed legislative and fiscal measures for restricting the manufacturers' competitiveness at home and abroad. First, they attacked the "crippling" effect of the Purchase Tax on sales and asked that it be reduced if not eliminated completely. Not only would this improve the state of their industry, but it would be in the greater public good by easing traffic congestion and reducing the nation's consumption of expensive imported petrol.¹³⁹

137. The figures for 1955/56 are quoted in an undated memo [but probably spring of 1957] entitled '164/57. Director's Personal Report', contained in Guardbook MRC MSS 204/3/1/85.

138. For reports on the redundancies, see 'Motor cycle firm to sack 200 workers' Daily Herald, 26 April 1956 (contained in the Trade Union Congress news clipping archive, file 12915, MRC), 'More dismissals in Midlands', Financial Times, 2 June 1956 and 'Report for July and August 1956' prepared by A.N. Hall and dated 7 September 1956, contained in PRO BT 177/634. Overall industry employment in October 1955 was estimated at 16,500. Among the firms, BSA employed 5,100, AMC 1,350 and Villiers 3,500 (not all these workers, however, were necessarily engaged exclusively in motor cycle manufacturing). See 'Notes on the location of manufacturing industries - No. 10 Motor Cycles,' particularly Appendix 4, dated October 1956 and contained in PRO BT 177/621.

139. The letter, dated 27 September 1955, addressed to Peter Thorneycroft, the President of the Board of Trade, is attached to a memo entitled '405/55: Purchase Tax Etc', contained in Guardbook MRC MSS 204/3/1/81. A letter, dated 4 July 1956, from AMC Chairman Hogg to the company shareholders, blamed the imposition of higher Hire/Purchase restrictions (the minimum

Secondly, no doubt mindful of growing public hostility towards the higher powered motor cycles, the Union asked that legislative concessions apply only to the lightweight models, particularly the mopeds. As they had before the war, the manufacturers drew attention to the far greater use of mopeds on the Continent, especially in Germany. This, they insisted, was the result of the active encouragement of moped use by foreign governments. German moped riders, for example, did not have to carry licences or even take tests and paid much lower insurance premiums. They even received an income tax concession if they used their machines for commuting to work.¹⁴⁰

In contrast, British laws treated mopeds on the same basis as the larger motor cycles, making them far more expensive to operate and so dampening consumer interest. The Government could both improve accessibility to a cheaper means of motorised personal transport for a larger number of people as well as help the industry by stimulating more sales, if only it would adopt laws of a Continental type. On the other hand, if the present situation continued, the manufacturers warned, the industry would go on declining and foreign rivals, particularly Germany, would overtake Britain as the world's leading motor cycle producers.¹⁴¹

These arguments were subsequently pressed during meetings held between industry officials and civil servants. The advice that Ministers received from civil servants was largely unresponsive to the case made by industry representatives. These views seemed

deposit on both new and used motor cycles had gone up from 33 1/3 per cent to 50 per cent) for a 40 per cent drop in sales over 1955. The letter, attached to the 1955 Annual Report, is on deposit in the Guildhall Library.

140. See letter to Thorneycroft, op cit.

141. Ibid.

well established by 1951. It may not have been said openly at the meetings, but a strong bias against motor cycles and motor cyclists had re-emerged in private correspondence between Ministry officials. This attitude was very detrimental to the industry's case for legislative reform. The civil servants' judgement had become deeply coloured by the industry's reputation for building fast, high performance motor cycles, which were considered hazardous for the riders themselves and the public at large.¹⁴²

No matter how often the manufacturers insisted that they only called for the relaxation of these laws solely to provide the public with cheap and low speed mopeds, the civil servants suspected an ulterior motive. This stiffened their resolve against any concessions being made to the industry. As one department official, who favoured continuing to cover mopeds by existing legislation, minuted his Parliamentary Secretary:

I think it would be fair to summarise the departmental view as being that this is right because any departure from the strict rule might result, through the ingenuity of scientists and engineers, in the production of a vehicle which, while technically entitled to exemption, would, in fact, be highly lethal and at the same time have an unfair advantage against the ordinary motor vehicle. It is possible to imagine, for example, the production of an extremely powerful small engine, to be attached to a bicycle, capable of very high speeds and of being as great a potential danger to life and limb as the most powerful motor cycle.¹⁴³

Once more, the manufacturers had placed themselves in a dilemma of their own making. Emphasis on the heavy-weights models, along with the cultivation of a market that consisted essentially of

142. See, for example, minute No. 5 from 'C.J.', dated 14 November 1950 and report entitled 'Pedal cycles with motor attachments', prepared by G.F. Stedman, dated 9 May 1951, both contained in PRO MT 34/468.

143. Ibid.

enthusiasts may have provided a firm bedrock of consumers but it was, by definition, self-limiting. Now it again thwarted their efforts to enlist the support of the government.

If the industry was unsuccessful in attempting to change moped legislation, at least one firm appeared to be dealing effectively with its internal problems. In 1956 BSA's leadership question had been resolved. At a Board meeting held on 31 May, a majority of his fellow directors stripped Sir Bernard Docker of his status as Managing Director and Chairman, forcing him off the Board. The official explanation was that Sir Bernard's scandalous personal behaviour, combined with chronic and seemingly endless losses at Daimler, made his continued tenure undesirable.¹⁴⁴ The real reasons, never made public, were the Board's disquiet at the Group's failure to occupy a central position in the advanced sectors of British engineering, particularly nuclear power and aeronautics, which they blamed on Docker's undue pre-occupation with Daimler. Because of poor leadership, during the critical years after the war, they believed that BSA had failed to press home its advantages.¹⁴⁵

144. There was extensive press coverage of Docker's dismissal from the BSA Board. See, for example, 'Sir B. Docker and BSA', 1 June 1956, 'BSA Dispute: Appeal to Shareholders' 2 June 1956 and 'BSA Board Dispute' 1 August 1956, all in the Financial Times.

145. The official account of the 31 May 1956 meeting is briefly explained in the Minute Book for that date. No agenda item number was provided. For the post-Docker Board's side of the problems prevalent before 1956 see 'Statement by the Board of Directors to the Ordinary Stockholders', dated 16 July 1956 and 'Reasons why Sir Bernard Docker's attempt for Secure Re-Appointment Should be Opposed'. These were prepared for distribution to shareholders at an Extraordinary General Meeting called by Sir Bernard in an unsuccessful attempt to regain his place on the Board of Directors. All these are contained in BSA Directors' Minute Book No.16, MSS 19C/20. A separate and much lengthier account of the 31 May Board meeting, prepared by the Company Secretary, the so-called 'Secret Minutes', are contained in MSS 19C/30. A copy of Sir Bernard's defence of his chairmanship of the company, entitled 'To the Shareholders of the

Although he had not shown much interest in motor cycle production, during March 1954 Docker had set up a permanent Motor Cycle Policy Committee which was charged with examining the activities of the various subsidiaries. There is no evidence that the Committee ever actually met, but after May 1956 Docker was succeeded as Chairman by Jack Sangster, a motor cycle specialist nearly all his working life. The way was now open for a thorough re-evaluation of the BSA Group's direction.¹⁴⁶

In spite of changes at BSA, the industry faced daunting problems at the end of 1956. Production and exports had dropped to their 1948 levels and imports had grown from virtually nothing to alarming levels. The 'window of opportunity' that existed in 1951 may not have closed entirely but was certainly not as open as it had been before. The high hopes of earlier years were quickly ebbing away. If the industry was going to maintain its position, a new manufacturing strategy was necessary to meet increased foreign competition and the changing expectations of the market. Failing such positive action, the promises which opened the era were very likely to remain unfulfilled.

Birmingham Small Arms Co. Ltd.' (no date but probably July 1956) is contained in Box 31/Folder 1 of the Hannon Papers. Another, albeit highly partisan, defence of Sir Bernard's leadership of BSA was subsequently made by his wife Norah. See Norah Docker Norah - the Autobiography of Lady Docker, London: W.H. Allen, 1969, p.92 and pp.214-228.

146. The Policy Committee was created at a Board meeting held on 13 March 1954. See agenda item 10539 contained in Director's Minute Book No. 16, op cit.

Chapter 5.

' The Window Closes: 1956 to 1961'.

The 1956 sales recession provided an incentive for manufacturers to enter the expanding lightweight field. However, they remained puzzled by the fact that, while overall sales of motorised two wheelers had generally declined, imports actually continued to increase. During the period 1956 to 1961, sales did gradually improve overall and 1959 would become the best year ever for British motor cycle sales. Thereafter, a more severe long term decline commenced. At the end of this period, the British motor cycle industry faced the prospect of the most dangerous threat it had ever faced from a foreign competitor. For the first time, this did not originate from either the Continent or, as it had before 1919, the United States but instead from Japan.

The impact of the market changes on the industry's manufacturing programmes, particularly the growing popularity of mopeds, scooters and smaller motor cycles, was evident as early as the 1955 Show, where there was an unprecedented number of lightweight models on display, including over 40 different types of auto-cycles and mopeds, along with as many scooters. Most of these were either imported or the products of smaller British companies, although, most important, they included two lightweight scooters from BSA. Several of the British mopeds originated from bicycle companies, such as the Phillips 'Gadabout', the Norman 'Nippy' and the Hercules company's incongruously named 'Grey Wolf' (later retitled the 'Her-cu-Motor'). Nearly all of these models had 49cc power units,

because no British proprietary engine maker catered for this engine class.¹

The first all-British designed and manufactured scooters also made their belated debut. These likewise originated from smaller dedicated firms or non-traditional manufacturers. The DKR company, for example, proudly advertised its 150cc 'Dove' as the "All British Scooter" and other entries included the DMW 98cc 'Bambi' and Dayton Cycle's 224cc 'Albatross'. Two new entries were from BSA. One, the 70cc 'Dandy', was promoted as a 'scooterette', though it was really more of a moped but with a modest degree of bodywork. The other, a large size scooter, the so-called 'Beesa', was by contemporary scooter standards both large and expensive. It had an 200cc engine (compared to the best-selling Vespa's 145cc model) along with electric start. The design reflected the proposed price (it was not yet in production), £204 compared to £188 for the Vespa.²

The business press was particularly optimistic about the implications of BSA's entry into the scooter market. The Financial Times noted that up until then, with the exception of Douglas' licensing agreement with Vespa, the imports had this market for themselves. In view of developments on the Continent, "many in Britain have expressed surprise that the UK motor cycle manufacturing industry has not as yet seriously entered the scooter field." This had now changed because, among all British manufacturers, "BSA is perhaps in the best position of any

1. See 'Buyers' Guide' included in the 18 November 1954 edition of The Motor Cycle.

2. See 'BSA Scooter and Revolutionary 70cc Ultra-Lightweight', Motor Cycle and Cycle Trader, 12 November 1955, p.146. Prices are from the 1956 'Buyers' Guide', enclosed in the same issue.

company to bring out a scooter for the British market at a really competitive price."³

Besides the mopeds and scooters, British manufacturers had already introduced a new range of lightweight motor cycles. These machines were in the 98cc engine class and again produced by smaller firms such as Excelsior, James, Norman and Sun. Many catered for commuters, prompting one newspaper to dub them 'Volks Bikes.' One new model, the 'Ambassador', even came equipped with an electric starter, a highly unusual feature to be found on a British model at this time.⁴ Other companies, such as Francis-Barnett, produced two 147cc models, the 'Plover' roadster and the sportier 'Falcon 77', and Royal Enfield had the 148cc 'Ensign'. Among the larger manufacturers, both BSA and Triumph had revamped editions of their existing 150cc and 250cc models and even the most traditional firms, Norton and Matchless, made changes to their 350cc models, the smallest machines then manufactured in their factories. The Board of Trade, which had a correspondent at the Show, was much impressed with this new interest in the light weight class and used its journal to publicise the motor cycle industry's long-awaited 'Counter-attack on Continental Competition'.⁵

3. See 'Scooters in Britain', Financial Times, 2 July 1955, contained in clipping book MRC MSS 204/10/1/3 and 'British Scooters Appear', The Economist, 19 November 1955, p.683.

4. The Ambassador's electric start was included, one report claimed, to attract women, who it was hoped, were now moving from the pillion seat to the saddle: "how do you expect a girl with high-heel shoes to operate a kick starter? the answer is that with the Ambassador - you don't." See Daily Sketch, untitled feature about the 1954 Show, 13 November 1956, contained in the Manufacturers' Union clipping book, MRC MSS 204/10/1/3.

5. See 'Cycle and Motor Cycle Show stages a Counter-attack on Continental Competition', Board of Trade Journal, 19 November 1955.

Indeed, the trade press took great pride in the sheer diversity of British motor cycle production. The 1955 Show, it was said, demonstrated just how strong they remained, even in the face of burgeoning foreign competition. While the Continentals put their resources into mopeds, scooters and lightweight (under 250cc engine capacity) motor cycles, British manufacturers continued to offer a range extending from 50cc auto-cycles to the four cylinder 1000cc heavy-weights. No other industry came even anywhere close to matching the British for variety. One trade journal proudly claimed that the British industry "today dominates the markets of the world, and has few rivals in the production and marketing of orthodox motor cycles." Moreover, the Show served warning on foreign competitors that British firms were now "prepared to challenge the Continent of Europe in these fields in which hitherto our foreign competitors held a virtual monopoly."²⁶ The journal was especially enthusiastic about the new British made 'ultra-lightweights' and scooters, which not only challenged the "foreign invaders, but far outstripped them in appearance and specification."⁷ [See Appendix 1, Table IXX].

Yet, only several months later, columnist Francis Jones noted the lackadaisical manner in which British manufacturers had marketed their new mopeds and scooters. At the Brussels Show, he observed, the BSA 'Dandy' and 'Beeza' were the only British made light weights on display and Jones was not at all pleased about the failure of other firms to participate: "The blunt fact of it

6. See leading article, 'World's Leading Producer', p.171, 'Motor Cycle and Scooters for All Markets', pp.180-184 and 'Motorised Cycles and Power Units', pp.193-194, all contained in Motor Cycle and Cycle Export Trader, December 1955. See also an untitled feature on the 1955 Show in the Motor Cycle and Cycle Trader, 12 November 1955, pp.134-135.

7. See feature entitled 'Comment', Ibid, p.141.

is that Britain is not, as yet, putting up any strong competition - or, really, any serious competition, in the moped/scooter market." Britain might still be the major producer of orthodox motor cycles, but in Jones' opinion that "does not alter the fact that we were late in grasping the possibilities of the unconventional type of machine." This criticism was shared by one Sunday paper, which commented on how the new British made mopeds were a "belated attempt" to stem the "invasion by Continental scooters." It was these types of lightweights which consumers now wanted, not the "fast and almost exclusively masculine motor cycles so favoured by British manufacturers."⁸

Sales during the 1956 season did nothing to deflect the critics. These continued to decline, except in the lightweight class. True, British built mopeds and scooters sold, but in fewer numbers than the imports. Even the two new heavily promoted BSA models failed to make much of a dent in either Home or export markets. The 'Beesa' scooter, for example, never even went into production. It was cancelled by the BSA Board of Directors on the grounds of high projected manufacturing costs, price and inappropriate design. The 'Dandy', on the other hand, did go into production but was plagued with numerous troubles.

8. See 'Motor Cycle Matters' by Francis Jones, Motor Cycle and Cycle Trader, 4 February 1956, p.329. See also 'UK scooters enter fight for markets', The Observer, 13 November 1955. Other similar opinions were expressed elsewhere in the broadsheet press, see, for example, 'Now Cycle Firms are Worried', Manchester Guardian, 7 March 1956 and 'Export Challenge to UK Cycles', Financial Times, 16 March 1956, all contained in TUC press clipping file 12913, at the MRC. The concept of the larger motor cycles as 'masculine' was not simply theoretical. In 1954, the Manufacturers' Union protested at the participation of a German sidecar rider, Inge Stoll-LaFarge, in that year's TT races. Their resolution informed the ACU that they were "appalled" at the decision to allow Stoll-Farge to race. See minutes of the Manufacturers' Section meeting of 12 May 1954, contained in Guardbook MRC MSS 204/3/1/77.

According to Bert Hopwood, then BSA's Chief Designer, this was the result of it being rushed into production without adequate development work. One particular design flaw was the use of cast iron, instead of light alloy, in the cylinder material, which caused considerable problems for its owners. Ironically, one of BSA's subsidiaries had pioneered a process of coating cylinder bores with a hard chrome surface, which would have easily cured this particular difficulty, but this was unavailable to the motor cycle division.⁹

As sales fell, British manufacturers again blamed government credit policies for their problems in the Home market. AMC Chairman Samuel Hogg, in a letter to shareholders in mid-1956 attributed the poor performance of their company and its subsidiaries to Hire-Purchase restrictions imposed in late 1955, which had caused dealers to slow up their factory orders during the winter. This, in turn, meant they held low stocks for the critical spring selling season, which traditionally opened at Easter. The weak state of the economy also played its part. As reports of redundancies and short-time working circulated, Hogg claimed, this "increased the lack of confidence amongst prospective motor cycle buyers, who are in the main young craftsmen and artisans, who naturally feared that they might themselves be out of work or on short-time, in the comparatively near future."¹⁰

Motor cycle manufacturers were furious about the decision of the Chancellor of the Exchequer in February 1956 to push up the

9. See BSA Directors' Minute Book, MRC MSS 19C/20, meeting of 18 October 1956, agenda item 10881. See also Hopwood, op cit, pp.131-134.

10. See letter to Shareholders, dated 4 July 1956, on deposit at the Guildhall Library, London.

minimum deposit for Hire-Purchase sales by 50 per cent. One trade journal went so far as to accuse the government of diverting British consumers away from the more expensive medium and heavy weight motor cycles in favour of cheaper, mostly foreign, lightweights. The implications of this policy, it was maintained, would only aggravate sales difficulties, "because of the established nature of the British motor cycle industry", and so lead inevitably to the "dampening down of business in traditional British machines while at the same time encouraging sales of low-capacity imported ... scooter and ultra-lightweights."¹¹

Yet, it remained difficult for the manufacturers to explain how these restrictions, which did not distinguish between British or imported motorised two-wheelers, always seemed to have less impact on the latter. As the 1956 season got under way this point was noted in an article published in the Financial Times, which reported that the British motor cycle industry appeared to be now caught in a two-way squeeze. First, exports in 1956 had not recovered to their 1951 levels (58,800 compared to 91,700 units). Second, the British manufacturers' share of the Home market had continued to slip. There was little doubt why this was so: "British styling has failed to keep abreast of fashion." In contrast, the industry's rivals "were setting new fashions which have come not only to dominate many European markets but have, it is being said, become the unmistakable beginning of a world fashion."¹²

11. See leading article, 'Motor Cycle Sales', Motor Cycle and Cycle Trader, 23 June 1956, p.145.

12. See 'The Motor Cycle Export Battle', Financial Times, 28 May 1956, contained in clipping book MRC MSS 204/10/1/3.

There was considerable difference in the manner with which the British and Continental manufacturers approached the question of design. For the former, virtually all firms were heavily reliant on in-house factory trained talent.¹³ Some senior managers, such as Triumph's Edward Turner, who took an active interest in matters of design and styling, were self-taught. Others, such as Bert Hopwood, had received a measure of formal training, but were often frustrated by the unwillingness of higher management to listen to their advice.¹⁴ It was also true that, being a smaller industry which was at a disadvantage in terms of pay rates, skilled designers were frequently tempted away by more lucrative offers from the aeronautics and motor car industries.¹⁵

The situation with regard to design work was very different on the Continent, particularly in Germany. In that country motor cycle and scooter manufacturers placed great emphasis on making their machines as attractive as possible. As a report

13. In 1958, the FBI conducted an inquiry in conjunction with the Council of Industrial Design, about what measures were followed by manufacturers for product design. In response, a Director with AMC replied that, in general terms, "appearance only enters into our products in the sense that good technical geometry produces the desired appearance, and to a degree even this is secondary to technical performance, road holding etc. What few embellishments are needed to bring about design attractiveness, arise from the opinions of higher management generally, with the occasional help of a consultant and even this help would usually be forth coming from manufacturers of badges and motifs etc." See letter, A.A. Sugar to E.W. Goodale, FBI, dated 2 June 1958, contained in MRC MSS 200/F/3/Ts/12/15.

14. For Edward Turner's background, see Barbara Smith entry in the Dictionary of Business Biography, David Jeremy (ed). London: Butterworths, 1986, pp.565-570. A full account of Bert Hopwood's struggles to convince the Boards of various motor cycle companies to revamp design are in Hopwood, op cit, pp.77-81 and pp.194-196.

15. During a management meeting at BSA's Small Heath factory during 1951, note was made about draughtsmen leaving the company for higher pay elsewhere, especially in the aeronautics industry. See minutes of BSA Management meeting held on 25 June 1951, agenda item 9272, contained in MRC MSS 19A/1/5. AMC also had great difficulties holding on to skilled design staff, see J.M. West interview, 23 November 1994.

commissioned by the Union noted, the larger firms employed "styling experts, who are the links between the design and sales departments." While most of these stylists were also "highly qualified engineers" some firms were in addition using personnel who had been trained as commercial artists. The aim of this concern, British manufacturers were told, was to broaden the appeal of their machines to non-motor cyclists and scooterists, especially women.¹⁶

Irrespective of their beliefs in the significance of design, the industry was very sensitive to criticism that it had fallen behind the competition. As early as 1952, Triumph Managing Director Edward Turner felt compelled to respond in the pages of an enthusiasts' journal. If, Turner retorted, the industry had failed to produce "much that is fresh", it was for good reason. The strong demand for their orthodox motor cycles had caused the manufacturers to adopt conservative policies which understandably discouraged what he described as "excursions into difficult design projects and the accompanying expensive tooling." Turner noted that the very dedicated nature of the industry was itself an obstacle to new ventures: "A rapid changeover to the manufacture of an entirely different machine is more difficult nowadays than ever before." Turner dismissed any notion of abandoning what had been, up until then, very successful orthodox motor cycle production programmes: "there is no point in radically changing design unless the resulting machine is going

16. See memo entitled '23/55: Germany', dated 20 January 1955, contained in Guardbook MRC MSS 204/3/1/79.

to be a marked improvement on the orthodox type evolved after years of painstaking development."¹⁷

By 1956 Industries Association Director Hugh Palin was provoked sufficiently by the continuing criticism to respond himself in the business press. He defended the record of the industry and offered an explanation for the gains made by imports on the Home market. In Palin's view, the rise of Continental manufacturers was the result of their new factories combined with a favourable geographical position close to large concentrations of consumers. Like Turner, Palin denied that the British industry had been caught unawares by the rapid growth of the moped and scooter markets. On the contrary, he claimed that British manufacturers were fully informed of changing tastes on the Continent. The reason why they had been so slow to react was two-fold. First, the British industry had been entirely committed to their main product, orthodox motor cycles, and were "working to capacity to meet the world-wide demand." Under those circumstances, until very recently the industry was unable to divert factory space for the manufacture of either scooters or mopeds in any number, as they were "quite separate and distinct from orthodox motor cycles from both the sales and production point of view."¹⁸

Second, Palin claimed, the industry had suffered from persistent shortages of labour, factory space and raw materials such as steel. These restrictions had also "made it impractical to lay down new plants for scooter and moped production." In any case, it would have been "foolish indeed" for British

17. See 'Design and Development' by Edward Turner, The Motor Cycle, 9 October 1952, pp.406-408.

18. See 'British Motor Cycles' by Hugh Palin, Financial Times, 15 October 1956, contained in clipping book MRC MSS 204/10/1/3.

manufacturers to have shifted their resources towards the lightweights at a time when demand for their traditional products was so high. In fact, Palin added, the British industry's very supremacy had created an opening for its foreign rivals: "It would not be fanciful to suggest that the domination of the world's markets for orthodox machines [especially in the over 250cc classes] ... has perhaps led at least in part to the concentration of Continental motor cycle manufacturers in the production of machines not hitherto built in Britain."¹⁹

Palin's explanation for the industry's failure to meet growing demand for motorised two-wheelers does leave one unanswered question. Why after 1955, in the face of the rapid and sustained expansion in the post-war motor cycle market, (albeit in the lightweight classes), did the British industry fail to increase capacity in order to meet demand? In fact, there was some expenditure of new plant and factory expansion on the part of the larger firms during this period.

The largest firm, BSA, is a case in point. In late 1953 the BSA Board sanctioned a capital expenditure of £500,000 over the next three years at the Small Heath factory. This was a substantial figure, although it probably also included expenditures on non-motor cycle plant, and is still far less than the £1 million alone the company spent on purchasing Carbodies in 1954, in order to guarantee a secure source of components for the Daimler motor car division. There were a series of improvements made to Triumph's Meriden factory, although this was done mainly to increase production of the big displacement twin cylinder models which were so popular overseas. Moreover, the Small Heath

19. Ibid.

factory always operated at less than 100 per cent capacity. Nor did BSA's motor cycle production ever again reach its peak annual output of 65-70,000 machines achieved over 1951/52, at a time moreover when labour and materials shortages were acute.²⁰

Instead the most ambitious expansion programme originated from the industry's number two producer. In contrast to BSA, AMC not only moved into lightweight production by way of its acquisition of James and Francis-Barnett, but also made a large investment at its Woolwich factory. This project was intended to both improve motor cycle production and reduce the company's reliance on certain components from outside suppliers. The work began in 1954 and by February 1956 company chairman S.R. Hogg estimated that it had already cost nearly £500,000 in new tooling and additional factory space.²¹ AMC Managing Director Donald Heather

20. The £500,000 was voted during a Board meeting held on 18 December 1953. See entry for that date, agenda item 10519. For the decision to buy Carbodies, see the Board meeting of 20 May 1954, agenda item 10552. The following year, BSA bought Hobbs Transmission at the cost of £150,000, again for the benefit of Daimler. See Board meeting of 24 March 1955, agenda item 10645. Expenditures at Triumph included a capital outlay of £116,916 for the period 1953 to 1956 and a special allowance of £94,000 for 1956. See Board meetings held on 22 January 1954 and 2 May 1956, agenda items 10529 and 10748 respectively. All references contained in BSA Directors' Minute Book No. 16, contained in MRC MSS 19C/20. The BSA output figures are contained in the BSA Management Committee Minutes, BSA Management Meeting Minutes, MRC MSS 19A/1/5. According to BSA's Service Manager John Balder, at no time after 1950 did the BSA factory utilise 100 per cent of productive capacity. See Balder interview, 18 November 1994.

21. See Chairman Hogg's speech at the Annual General Meeting of 7 February 1956, on deposit at the Guildhall Library. According to a circular sent out to shareholders dated November 1955, the entire building project was projected to cost "over £900,000". The initial £750,000 was raised through AMC's banks, a further £500,000 would be provided through a Convertible Debenture stock issue. See circular dated 25 November 1955, signed by company secretary W.A. Hildeth, copy kindly provided by J.M. West.

claimed that this project was the "largest single investment" in the history of the industry.²²

The heart of the investment programme was an ambitious plan to enlarge and re-equip the Woolwich factory, enabling the company to compete more effectively both in the Home and export markets. One part of the programme was the development of a new 250cc two-stroke engine which could be used to power the lightweight models produced by its subsidiaries. Although previously AMC had obtained these engine units from a proprietary supplier, friction between Villiers and AMC caused the latter to seek self-sufficiency. The second part of the investment was the creation of facilities to manufacture a new gearbox. Like Villiers, the company had become disillusioned with its existing supplier, Burman.²³

Both ventures were expensive failures. The two-stroke engine, which was designed by an Italian contractor, there being no available British talent, was disappointing. Nor did the gearbox project fare any better. Although the design was sound, it cost significantly more than the ones supplied previously by Burman. Bert Hopwood, by that time Managing Director of Norton Motors,

22. See 'New Type Light Engine Made', Daily Telegraph and 'New two-stroke engine' Times, both from 8 November 1956, and contained in TUC clipping file 12913, on deposit at the MRC.

23. See British Cycles and Motor Cycles Overseas, August/September 1951, 'Extension at Woolwich', p.140. The general press also covered the work, see 'New type Light Engine Made. European Markets' Daily Telegraph, 8 November 1956 and 'New Two-Stroke Engine', Times, 8 November 1956, both articles contained in the TUC's industrial news clipping file 12913, entitled 'Cycle and Motor Cycling', on deposit at the MRC. J.M. West, confirms the dissatisfaction with Villiers and noted that problems continued even after AMC had purchased 25 per cent of this supplier in an effort to improve delivery. The money for the expansion work would have been better spent, in his opinion, had it been used to purchase outright either Villiers or gearbox maker Burman. See J.M. West interview, 23 November 1994.

was greatly aggravated to be forced to use the new unit, especially as it added appreciably to the retail cost of his factory's motor cycles. According to him, such a "costly upheaval of this fundamental change in commercial tactics" neither "improved the products nor reduced costs." The stage was set for far more serious problems for the entire AMC group.²⁴

During this period, a greater threat was coming from a familiar source. As motor cycle sales fluctuated, the gap between motor car and motor cycle sales continued to grow throughout this period. Although the number of automobiles on British roads had long exceeded the number of motorised two wheelers, the differential between the two widened dramatically after 1950, even though, in general, motor cycles were still cheaper to operate than motor cars.²⁵ The fact that the gap was initially slow to increase after 1945 was, in part, a reflection of the relative scarcity of motor cars on the home market. By 1955, with a burgeoning manufacturing capacity combined with the introduction of cheaper family vehicles, motor car registrations began to pull far ahead of motor cycles. Models such as the Ford Anglia and Popular, along with the Austin A30 and A40 models followed up the initial success of the Morris Minor in the economy leagues. These, and similar models produced by other manufacturers, combined with an expanding pool of second hand vehicles, opened up motor car ownership to a vastly larger segment of the population. Prices of cars increased at a lesser

24. See Hopwood, op cit, p.155.

25. A survey in 1958, comparing the running costs of a Austin A40 motor car and a Velocette 'LE' light weight motor cycle revealed that, on average, the Velocette cost 2s 26d per mile compared to the Austin's 7s 61d. See 'Costs per mile', Motor Cycle and Cycle Trader, 1 March 1958, pp.304-305.

rate than those for large orthodox motor cycles.²⁶ For example, over the period 1955 to 1960 the price of a Ford Popular increased from £413 to £494 and an Anglia went from £541 to £589. At the same time, the price of a Norton 500cc twin cylinder machine went from £438 to £533 and a BSA 650cc twin cylinder machine went from £216 to £345.²⁷ [See Appendix 1, Table XX].

The attractions of cheaper motor cars over motor cycles was even reflected in popular music. One song, for example, which was played on British juke-boxes during the late 1950s, had a verse purportedly sung by a female motor cycle pillion-rider. It recounted how she was "tired of looking at the back of your head" and urged her boyfriend to "trade in your motor cycle and get an automobile."²⁸ Judging from the rapid increase of car ownership compared to the much smaller rise in motor cycles during this time, many others shared her sentiments, a point which was reflected in press reports at the time.²⁹

Consumers of motorised two wheelers showed similar buying patterns as motor car owners with respect towards smaller economy models. This trend was represented in the growing levels of moped and scooter sales which suggested that there were many

26. See Jonathan Wood, Wheels of Misfortune, chapter 5, pp.95-133 and Martin Adeney, The Motor Makers, chapter 10, pp.194-220.

27. Prices derived from the 'Buyers' Guide' contained in The Autocar, 11 November 1955 and 11 November 1960 and from the 'Buyers' Guide' contained in The Motor Cycle, 18 November 1954 and 17 November 1960.

28. The song is featured in a radio documentary entitled 'Hell for Leather', which was broadcast on BBC Radio 1 on 31 July 1993. Thanks to presenter John Peel and producer Wendy Pilmer for making a copy of this audio tape available, which is now on deposit at the MRC.

29. See, for example, 'Heavy going for Cycles', Financial Times, 6 June 1957 and 'Downhill drift in cycling', Manchester Guardian, 29 November 1958. See also 'Drift to cars hits cycle makers', Coventry Evening Telegraph, 29 January 1959. All citations contained in clipping volume MRC MSS 204/10/1/3.

consumers who wanted more than a bicycle but could not yet afford a motor car. Indeed, bicycle sales began to drop during this time, along with those of heavyweight orthodox motor cycles, while mopeds and scooters were sold in increasingly larger numbers.

The fact that a large proportion of the lightweight motorised two wheelers on the home market were imported, combined with a trend of declining British exports, reinforced the conviction of manufacturers that poor government representation at trade talks was again the cause of their difficulties abroad. As before, their accusations did not always take into account all the factors faced by British trade negotiators. Perhaps the most illustrative example of the problems faced by British exporters during the late 1950s was to be found in the Italian market. In this instance the inherent weakness of the British industry's criticism of Government trade negotiators was most apparent.

Throughout the 1950s British motor cycle manufacturers had been infuriated by the fact that, while thousands of Italian scooters flooded into their home market, it was extremely difficult for them to export to Italy. In 1955, for example, some 16,200 motorised two-wheelers (mostly scooters) had been exported from Italy to Britain. Yet, over the same period, only 234 British machines had entered Italy. Although the Italians were subject to a British import duty they were not affected by any quotas. In Italy, on the other hand, high tariffs and quotas kept out all but a token number of British exports, or so the manufacturers claimed.³⁰

30. See memo entitled '280/56: Director's Personal Report' dated 20 August 1956, contained in Guardbook MRC MSS 204/3/1/83.

During the following year, this unequal trading relationship worsened. In the first six months of 1957, the Italians exported a total of 24,299 motorised two wheelers, nearly all lightweights and most of those scooters. By contrast, over the same period of time, a grand total of twenty-nine British machines went to Italy. In light of these statistics, it was about time, the British industry complained to the Board of Trade, to force the Italians to trade more fairly.³¹

Motor cycle manufacturers adamantly believed that the cause of poor exports to Italy, and elsewhere, was not their fault but was the result the irresolute government trade negotiators. In late 1957, Industries Association Director Hugh Palin summed up the situation in a confidential internal memo distributed to manufacturers:

British negotiators approach these meetings [the Bi-lateral trade conferences] in a very different frame of mind to that of the negotiators from competing countries. This is a complaint that has been frequently made over the years and as frequently rebutted, but having recently met some of the negotiators who conducted a particular series of trade talks, I cannot help expressing the personal view that they are not at all the kind of people who would likely drive a hard bargain, or to get 'tough' if necessity arose.³²

However, upon closer examination, the question of government representation was again far less straightforward than British manufacturers insisted. As with the Dutch and Swiss markets several years before, the fact remained that demand in Italy was

31. See memo '357/57: Director's Personal Report', dated 7 August 1957. The statistics concerning Anglo-Italian trade were drawn from a letter Industry Association Director Hugh Palin had written to the Minister of State for the Board of Trade and is attached to the memo. Both documents are contained in Guardbook MRC MSS 204/3/1/86.

32. See draft memorandum, 'Bicycle and Motor Cycle Export Trade', dated 26 November 1957, contained in Industries Association Guardbook MRC MSS 204/3/1/87.

oriented towards lightweight scooters and mopeds, not the larger orthodox motor cycles the British industry specialised in making. This point was confirmed in an analysis of the Italian market which was prepared for the Industries Association that same year. The report stated that the continuing popularity of the lightweight models had affected the manufacturing programmes of the domestic producers. It also noted that "demand for machines over 200cc is now so small" as to be almost insignificant and concluded that it was "doubtful whether Italian firms will devote any further capital to new development of this type of machines other than racing models." Indeed, under these circumstances, with Italian demand so heavily in favour of the kind of models not made in any volume by British factories, it was questionable whether this was even a market worth fighting about at all.³³

Nevertheless, in 1958 Industries Association Director Hugh Palin was able to inform members that the Italians had finally liberalised their import regulations to allow in the larger British machines. He claimed that "great pressure has been put on HMG to secure this concession", which he had to admit "has only be obtained at a price." The price paid, Palin continued, was that, in order to facilitate greater motor cycle exports, "the UK has had to make certain concessions outside our Industry's interests." Several months later members of the Motor

33. See 'Special Report: Milan Cycle and Motor Cycle Show' dated December 1957, prepared by H. Palin and contained in the Industries Association Guardbook MRC MSS 204/3/1/87. It was also noted elsewhere that the Italians had a high tax placed on machines over 200cc engine capacity, making demand for heavy weight models unlikely to be more than 1,000 per year. See memo (no date, but probably January 1957), entitled '127/57. Special Report, Milan Cycle and Motor Cycle Show, December 1956', pp.9-10, contained in MRC MSS 204/3/1/85. See also 'Liberalising Trade', Motor Cycle and Cycle Trader, 12 April 1958, p.2.

Cycle Manufacturers' Section had to concede that the successful effort at dismantling the Italian import barriers had been a costly victory. Even though Italy's import regulations were now even more liberal than those of Britain, exports to that country had still not improved. In future, it was predicted, this embarrassing development would make the Industries Association's position with the Board of Trade regarding other trade matters "particularly weak."³⁴

British motor cycle manufacturers were in trouble in other important markets because of changed consumer tastes. In Sweden, for example, AMC Sales Director J.M. West discovered that the market for heavy-weight motor cycles had become so poor that the main Stockholm dealer wanted to get out of the business altogether. After visiting Sweden and other Scandinavian countries, West reported that sales of motor cycles over 250cc displacement had "fallen catastrophically" and that "such models are now rarely seen on the streets. Swedish youths are now to be seen in quantity in early post-war cars that can be purchased for but a fraction of the cost of a 500cc motor cycle." What sales could be made were to either the police or armed forces. By contrast, sales of mopeds boomed. However, instead of trading up to motor cycles, he noted that "moped riders tend to progress to cheap light cars."³⁵

34. See Minutes of the Motor Cycle Manufacturers' Section, 9 October 1958. Contained in Industry Association Guardbook series, MRC MSS 204/3/1/89.

35. See Scandivanian sales report, dated 17 July 1961, J.M. West personal papers. According to West, another cause of the decline of Nordic motor cycle sales was that "the nights are long and cold in Sweden [and] you can't go courting on a motor cycle." See West interview, 23 November 1994.

Conditions in Australia, formerly Britain's best export market, were not much better [see Appendix 1, Table XVII]. As early as 1952 manufacturers were warned by their Australian dealers about changed public opinion. One report referred to "violent and abusive propaganda" against motor cycles and motor cyclists circulating in the national press and radio. One Australian government official had gone so far as to call for the banning of motor cycles from public roads. Scooter sales, on the contrary, had increased, a development the dealers attributed to the influx of immigrants from Continental Europe, people who "had no ties with the Mother Country" and hence, they believed, were less likely to buy the big British motor cycles.³⁶ The biggest problem, however, was competition from four-wheeled vehicles. A report received in 1955 noted that it "would appear that many members of the public here prefer to purchase a car rather than a motor cycle."³⁷

Although sales in traditional export markets had deteriorated, the losses had been largely offset through the development of an entirely new region. An insignificant market before 1945, North America was the big export success story of the post-war era. This was largely the result of a combination of liberal import policies and the peculiar nature of this market, especially its predilection towards larger displacement, sports oriented motor cycles.³⁸

36. See minutes of the Motor Cycle Manufacturers' Section, held on 21 March 1952, contained in Guardbook MRC MSS 204/3/1/73.

37. See memo entitled '247/55: Australia', dated 2 June 1955, contained in Guardbook MRC MSS 204/3/1/80. This trend continued afterwards, see memo entitled '267/58: Australia: Motor Cycle Exports', dated 15 July 1958, contained in Guardbook MRC MSS 204/3/1//88.

38. According to Managing Director Edward Turner, when Triumph began exporting to the US in 1936, the initial reception by

The post-war North American market had several obvious attractions to British manufacturers. This area had escaped damage during the war and contained a vast pool of potential consumers, the single most affluent group in the world at this time. Perhaps most important, both the USA and Canada were hard currency markets without significant tariff barriers and other trading impediments. It was not surprising that during this time British industry generally had come under heavy government pressure to export there as much as possible.³⁹ In fact, British motor cycle makers did not need much prompting from the government to commence a North American export drive. This market held enormous sales potential, which was an irresistible attraction to British motor cycle manufacturers.

In 1951, having just returned from the USA, Triumph's Edward Turner gleefully reported to fellow Managing Directors that there was "a bottomless pool of American dollars waiting for British motor cycles." He was especially excited about the sports orientation of many American consumers: "It is heart-warming to see the enthusiasm for the sport which exists in America today, and in a nation of 142 million people, a large proportion of whom are tough, sporting young men, the potentialities are

Amerian consumers was not entirely favourable. There was resentment about imports. Indeed, "there were times when certain of the rougher elements were inclined to be quite militant about the situation." See 'Through Edward Turner's Eyes', The Motor Cycle, 20 March 1947, pp.180-181.

39. See, for example, Watling's report to the Manufacturers' Union Council, which expressed concern that government pressure to export to North America might be at the expense of trade in other areas, especially South America. However, Watling did not explain how they should deal with South American tariff barriers and import quotas. See report dated 23 December 1949, entitled '458/49. The Dollar Drive', contained in MRC MSS 204/3/167.

remarkable."⁴⁰ At about the same time, Norton's Gilbert Smith observed that, unlike his British counter-part, the average young American "goes almost straight from pram to a car and becomes interested in owning a motor cycle only when he gets bitten by the 'sporting bug'." Indeed, most Nortons were sold to "young men who regard them as part of their sports kit."⁴¹

An entirely new strata of consumers, mostly sports oriented riders, had discovered the advantages of British machines.⁴² These new riders were not disturbed by the social disadvantages of riding a motor cycle and used their machines far more for leisure pursuits than as basic transport. As it had in Britain, sporting success often translated into increased sales.⁴³ Bill Johnson, Triumph's Los Angeles based west coast distributor, observed: "motor cycling in America is essentially a sport and

40. See untitled news story Motor Cycle and Cycle Trader, 20 April 1951, p.36, and 'Through the Eyes of Edward Turner', op cit. Turner had written earlier in a popular motor cycle journal extolling the the potential of the American market. See "From Coventry to California", Motor Cycling, October 18, 1945, p.436-437.

41. See 'We must 'sell motor cycling'' by Gilbert Smith, Motor Cycle and Cycle Trader, 5 May 1950, p.174.

42. When he met with the Minister of Overseas Trade in 1951, Manufacturers' Union President F. Kimberley stressed the importance of British imports of the medium weight machines (350cc to 650cc engine displacement) the industry was sending to the USA: "This type of machine was not previously made in the United States and British manufacturers felt that they had opened up a market for what was, to the Americans, an entirely new product." See Document #38, entitled 'Export of bicycles and motor cycles', prepared by D. Simpson, 14 November 1951, PRO BT 11/4452. See also 'US Light Weights Sales Rise', New York Times, 6 January 1949, p.39.

43. Gilbert Smith, Managing Director of Norton Motors, noted that "the success of British motor cycles in the United States results in part from members of the American Forces getting to like them when over in Britain." 'Through a manufacturers' eyes', The Motor Cycle, 18 December 1947, pp.478-479. This observation is confirmed in the Times, 8 July 1948, 'Motor Cycling Boom in America'. For details on the importance of sporting activities among American motor cyclists, see Ivor Davies, op cit, p.126 and Brooke and Gaylin, op cit, pp.14-25.

this is particularly true with machines of the British type ... There are the few who buy motor cycles for transport, but I do believe that even these are only kidding themselves, for actually they enjoy riding the motor cycle."⁴⁴ Johnson's statement was confirmed by AMC's Sales Director J.M. West, who noted that the "majority of motor cycles sold in the USA are used for competition work and few are used on the road."⁴⁵

The sporting aspect of the American market was well understood by British motor cycle manufacturers generally. During a meeting with the Union held in 1949, Alfred Child, BSA's distributor on the American east coast, was quite emphatic on this point. Singling out Norton, which had scored a series of victories on American race-tracks, Child assured the British manufacturers that these had been of "the greatest value" for the sale of all their motor cycles.⁴⁶

BSA's Export Manager, S.F. Digby, also emphasised the importance of participation in American sporting events, such as the Daytona Florida races. In his opinion, "prestige in the competitive sphere has a considerable effect on sales" and he advised active participation by British manufacturers in these activities. Digby also remarked on the striking contrast in performance between many of the British and American motor cycle models. He noted how the "highly developed British machines,

44. See 'Johnson Motors in California', British Motor Cycle and Cycles Export Trader, May 1953, pp.90-93. Triumph's development of the American market is given a detailed account in Ivor Davies, op cit, pp.113-135.

45. West also expressed concern about the activities of the so-called "milk bar cowboys" whose riding style, he claimed "deters others from normal riding in view of the stigma they create." See 'American Report', prepared by J.M. West, dated 17 December 1957, contained in J.M. West, personal papers.

46. See Minutes of the Manufacturers' Section, 24 September 1949, Guardbook MRC MSS 204/3/1/66.

with their severely functional design and remarkable power-weight ratios" came as a "revelation to the American public" when they were first displayed.⁴⁷ Although, by American standards, British machines were in the 'middle-weight' category (350cc to 650cc engine capacity) they frequently outperformed the more powerful but less agile 1000cc to 1250cc Harley-Davidsons.⁴⁸

Still, however rich, British manufacturers discovered that the North American market was not an easy one to develop. The sheer physical size of both the USA and Canada was daunting and distribution networks had to be created virtually from scratch. In the US, domestic manufacturers began a campaign of harassment against the entry of British machines into American sports activities.⁴⁹ They also shut them out of existing distribution networks by forbidding their dealers from handling imported products.⁵⁰

47. See S.F. Digby, 'Advance of the British Motor Cycle Industry', Financial Times, 12 August 1952. See also 'Europe Puts Its Best Wheels Forward', by R. Stevenson, Business Week, August 1947, pp.138-142, 'Motor Cycle Renaissance', 18 September 1949, ibid, and 'In the United States' by Emmett Moore, The Motor Cycle, 13 November 1952, pp.593-594.

48. In Hawaii, for example, formerly a strong hold for Harley-Davidson, British models such as the 650cc BSA 'Golden Flash' had become a favourite of local motor cycle enthusiasts. The popularity had been at the expense of Harley. See 'Hawaiian Enterprise', Motor Cycle and Cycle Export Trader, March 1953, pp.47-49.

49. See memo dated 26 January 1949, entitled '31/49 - USA: Motor Cycle Exports and the AMA', contained in Guardbook MRC MSS 204/3/1/64. When visiting the US in 1947, Norton Managing Director Gilbert Smith noted that "trade and industry in the United States do not entirely welcome the importation of British motor cycles, especially when these machines are successful in competitions." See also 'Through a Manufacturer's Eyes' by Gilbert Smith, The Motor Cycle, 18 December 1947, pp.478-479. There is no record of similar activities being used against British machines in Canada.

50. See the minutes of the Motor Cycle Manufacturers' Section meeting of 24 September 1949, contained in Guardbook MRC MSS 204/3/1/66 and Ivor Davies, op cit, p.119 and p.123.

The biggest obstacle to overcome was the fact that, despite or perhaps because of their affluence, neither Canada or the US were natural motor cycling nations. The social stigma which persisted from the 1920s, especially the widely held conviction that motor cycles were inferior to motor cars and motor cycle ownership reflected poorly on one's social standing, made sales a hard struggle. This situation was greatly aggravated by a series of incidents in the late 1940s and afterwards between marginal groups of American motor cyclists, self-styled 'outlaws', and the police. The most notorious confrontation occurred during 1947 in Hollister, California, and generated much unwelcome nation-wide publicity for motor cyclists in general.⁵¹ This incident ultimately became the basis of a popular and controversial motion picture, The Wild One, which featured Marlon Brando as the leader of a motor cycle gang (all mounted on British machines) who terrorised the inhabitants of a small California town.⁵² Whether accurate or not, the negative depiction of American motor cyclists contained in this film, one of shiftless and violent hooligans rampaging around small town America, created a highly emotive image which continues to the present.⁵³

British manufacturers encountered other more mundane problems in their efforts to expand this market. The severe climatic conditions and the relatively low cost of second-hand cars also created serious sales barriers. Such was the experience of F.G.

51. For background on the so-called 'outlaw' motor cycle gangs, particularly the 'Hells' Angels' motor cycle club, see Hunter Thompson, The Hells' Angels, New York: Bantam Books, 1965.

52. The film The Wild One was considered so unsuitable for British film goers that it was only approved by the British Board of Film Censors for general release in 1968. See Maz Harris, Bikers, London: Faber and Faber, 1985, p.23.

53. See, for example, 'Forty hours in Hollister' by John Durrance, Cycle, August 1987, pp.39-44.

Norman, Managing Director of Norman Cycles, a lower volume maker of lightweight models, which was trying to break into the Canadian market. He conceded that the long and cold Canadian winters, combined with the availability of cheap cars, "acted as deterrents to motor cycle ownership". Another firm, Douglas, also discovered it was not at all easy to sell its lighter weight motor cycles in Canada. The company admitted it had trouble attracting consumers, since the Douglas models were "not large enough for the Canadian taste, which is all for the big machines as manufactured in the USA."⁵⁴

By the mid-1950s three major conduits brought British motor cycles into the rich American market. The first and most sophisticated, was organised by Triumph, and originated as a distributorship run by Johnson Motors in Los Angeles, California. Ultimately, Triumph's organisation grew into two fully owned factory distributorships, one in Los Angeles, the other in New Jersey, which would service hundreds of dealerships around the US.⁵⁵ BSA's presence in America, by contrast, started with an agreement with former Harley-Davidson executive Alfred Child, who operated his New York based Rich Child Cycle Co. to cover much of the eastern part of the country. The west coast was managed separately through a distribution agreement with former Indian

54. For F.G. Norman quote, see British Motor Cycle and Cycle Export Trader, July/August 1954, 'Continental Competition in American markets', p.103. The information on Douglas is from the FBI file 'Dollar Exports Board, June 1949 to June 1950', document entitled 'Canada - current enquiries in the market and dossier for 'follow-up' letters', entry for Douglas (Sales and Service) dated 17 August 1949, contained in MRC MSS 200/F/3/DD1/42(1).

55. See Ivor Davies, op cit, pp.113-134 and FBI Exports Report on motor cycle sales, dated August 1950, contained in MRC MSS 200/DEC/3/3/C149.

motor cycle dealer Hap Alzina.⁵⁶ Following Triumph's example, BSA took over Child's organisation as a fully owned factory distributorship in 1954.⁵⁷

The third conduit was created by Brockhouse Engineering when it bought into the dealer network of the ailing Indian Motor Cycle Co., in 1949.⁵⁸ This convenient arrangement not only allowed Brockhouse to market its own very limited range of machines, but also those of a number of other British manufacturers such as AMC, Royal Enfield, Vincent and Douglas, through a ready-made distribution network.⁵⁹ Known as the Indian Company, it was later the distribution agent for Royal Enfield (which had been badging its own models as 'Indians' for sale in the USA). Later on it was purchased by AMC, although it never really achieved much commercial success. Finally, some small manufacturers, like James Cycle, chose to work through export brokers such as Hambros Bank, and Veloce (Velocette), for one, worked out a separate arrangement with a dealer in Los Angeles for limited regional distribution.⁶⁰

56. Sales in Canada were handled by distributors in Quebec and New Brunswick and elsewhere on a regional basis by individual dealers. See 'BSA Expansion in North America', British Cycles and Motor Cycles Overseas, December 1949, p.592.

57. See 'BSA factory branch in America', Motor Cycle and Cycle Export Trader, July/August 1954, p.101.

58. Colonel Grantham, formerly of the Ministry of Supply and now on the staff of Brockhouse Engineering, represented the firm at a meeting of the Manufacturers' Union Motor Cycle Manufacturers' Section held on 24 September 1949 and outlined his company's plans for the American market. The minutes are contained in Guardbook MRC MSS 204/3/1/66.

59. See Peter Watson, 'Brockhouse: Why the British closed Indian', Classic Bike, June 1987, pp.30-31 and 'Indian Sales Corporation, Named American Distributor of British Motorcycles', New York Times, 22 October 1949, p.24. The arrangement, from Enfield's perspective, was outlined in the Chairman's speech to the Annual General Meeting, held on 30 January 1956. Copy of the speech is on deposit at the Guildhall Library, London.

60. See 'British Motor Cycles Fill Out US Maker's Line', Business Week, 5 November 1949, pp.89-90, and a memo entitled

Its sales severely damaged, the sole remaining American motor cycle manufacturer, Harley-Davidson, launched an application before the US Tariff Commission in 1951. This sought the imposition of quotas and higher duties as the remedy for its failure to compete successfully against British imports. The stakes on the outcome of this application were high, with individual British manufacturers as well as the Union helping to fund the legal costs.⁶¹ At home, the Board of Trade also showed considerable interest in the course of the proceedings. As far as it was concerned, Harley-Davidson's attempt to close off motor cycle imports represented "the spearhead of the American attack" on British imports generally.⁶² Should Harley-Davidson succeed, it was believed there might be serious implications for other British exporters, especially motor cars. A dangerous precedent could be set for future applications to the Tariff Commission.⁶³

'Hambros Trading Corporation', dated 17 September 1949, contained in MRC MSS 200/F/3/4/8/83. For general information on distribution in the US see, British Cycles and Motor Cycles - Interesting Facts and Figures and Some Useful Information, published by the Manufacturers' Union in 1950, copy contained in Guardbook MRC MSS 204/3/1/68.

61. In total, the cost of opposing Harley-Davidson's application to the Tariff Commission cost £11,075. The Manufacturers' Union agreed to pay £5,536, see Minutes of the Council meeting of 3 July 1951, contained in Guardbook MRC MSS 204/3/1/71 and minutes of the Motor Cycle Manufacturers' Section meeting of 23 November 1951, contained in Guardbook MRC MSS 204/3/1/72. The balance was made up by individual manufacturers: BSA (£1,522), Ariel (£166), Brockhouse Engineering (£1,993) and Triumph Engineering (£1,858). See Triumph Engineering, Accounts Analysis books for 1952/1953, p.102/31, contained in MRC MSS 123/2/1/2.

62. See minutes of the Motor Cycle Manufacturers' Section meeting of 17 June 1952, contained in Guardbook MRC MSS 204/3/173. The case been also discussed during the Section meetings of 16 December 1949 and 23 November 1951, minutes contained in Guardbooks MRC MSS 204/3/1/67 and MSS 204/3/172 respectively.

63. Harley-Davidson's application to the US Tariff Commission received nationwide press coverage, see for example, 'Motorcycles bump into trade amity', New York Times, 8 October 1951, p.33. Ironically, the British employed the same tactics the Americans had used against them in order to stem the rising numbers of

During the hearings evidence was presented to the Commission which showed that post-war American motor cycle sales had peaked at 54,000 sales in 1948, but had subsequently averaged around 26,000 machines annually. This was a substantially higher total than pre-war figures, which the Commission later attributed to a growth in overall population, a three-fold increase in national income and the growing popularity of motor cycle sport. Significantly, it was noted that British motor cycles, particularly those in the 500cc to 650cc class, especially benefited from the Americans' devotion to sporting activities.⁶⁴ The Commission also heard that numbers of British imports jumped from under 3 per cent of total sales before 1939 to 40 per cent between 1949 and 1951, thanks in part to a 30 per cent devaluation of sterling in 1949.⁶⁵ In the event, the Commission turned down Harley-Davidson's application. It reasoned that since, "to a very considerable extent, middleweight importers' machines have created their own demand" they could not be held responsible for the decline in Harley-Davidson's sales. The Commission referred to evidence put before it which demonstrated that these consumers "doubtless would not have bought any

Czech and German imports into Australia. The Australian dealers protested, but evidently there was nothing illegal against this in Australian law. See 'Minutes of the Motor Cycle Manufacturers' Section', 16 December 1949, contained in Guardbook MRC MSS 204/3/1/67.

64. US Tariff Commission, Motorcycles and Parts. Report on the Escape-Clause Investigation. Report No. 180. 2nd Series. Washington D.C.: Government Printing Office, 1953, p.3. The Commission also remarked on the role played by US service personnel stationed in Britain during the war, who later helped to popularise British motor cycles when they returned home after 1945.

65. Ibid, pp.4-5.

motorcycle if the middleweight machines had not been available."⁶⁶

This decision had a profound effect on British export patterns for the next twenty years. In the face of protectionism elsewhere, North America became a critical market. During the following years, a greater and greater proportion of British motor cycle exports would go to North America [see Appendix 1, Table XVI]. In turn, because of the sporting tastes of these consumers, the accent was increasingly put on performance, reinforcing the traditional inclination of British manufacturers to mostly produce larger displacement motor cycles.⁶⁷

The very nature of the North American market was an important factor in distracting the British from considering the large-scale manufacture of lightweight models. Under the conditions of world trading, they had little choice with so many other markets closed to them. This was a point well understood by Edward Turner. America, he declared at the opening of Triumph's new distribution centre in Maryland, was "the richest country in the world and a fair amount of its wealth was in the hands of young men who were interested in the larger and more powerful machines, whereas the rest of the world wanted smaller, simpler motor cycles for utility transport." The problem with the 'rest of the

66. Ibid, pp.5-6.

67. See 'US market opening favourable', 29 May 1954, p.120., Motor Cycle and Cycle Trader, 29 May 1954. British sports car manufacturers also exported a high proportion of output to North America at this time. Between 1945 and 1959 MG, for example, sent 85.4 per cent of its production there. Less than 10 per cent was sold in the British market. See Whistler, op cit, p.259.

world' was that by then much of it was closed to British exports because of import restrictions.⁶⁸

Success in North America did not blind British motor cycle manufacturers to competitive threats elsewhere. Their fears of a resurgence by their old trade adversary, the German industry, seemed to have been realised.⁶⁹ In 1948 annual German motor cycle production was only 14,000 units, yet only four years later, after the Allied occupation authorities had lifted their controls, this soared to a total of 292,000 motor cycles, scooters and mopeds, most of which had less than 250cc engine capacity. By 1953, DKW, the major producer during the pre-war era, had already manufactured 100,000 of its 125cc lightweight models.⁷⁰ Nor were their fears soothed by assurances from German producers that they were currently too absorbed with supplying their home market and therefore had no intention of competing in British export markets.⁷¹ Triumph chief Edward Turner was also worried. He too had seen the reports of new German motor cycle

68. Turner's remarks were reported in 'Triumph Corporation's New Premises in Baltimore', The Motor Cycle and Cycle Export Trader, May/June 1956, p.67.

69. Despite their longstanding anxiety about the Germans, the British industry evidently turned down an opportunity to cooperate with a group of German industrialists to manufacture motor cycles of German design. Although Major Watling termed the offer "genuine" evidently no British manufacturer ever followed it up. See Memo sent to AMC, BSA, Royal Enfield, Norton et al, entitled '116/50: Germany - Motor Cycle Manufacture', dated 28 March 1950, contained in Guardbook MRC MSS 204/3/1/67.

70. Further details of the German motor cycle industry during 1953 are outlined in memos '178/53: Germany - Information' dated 15 May 1953, Confidential Bulletin #4, dated 28 July 1953, both contained in Guardbook MRC MSS 204/3/1/75 and Confidential Bulletins #5 and #8 dated 18 September and 16 November 1953 respectively, contained in Guardbook MRC MSS 204/3/1/76.

71. In early 1949 Major Watling met with a Mr. Nieztsch, a Director of the NSU company and the current President of the German Motor Cycle Manufacturers' Association. The substance of their discussions is outlined in a memo entitled '83/49: Germany: Motor Cycle Exports', dated 8 March 1949, contained in Guardbook MRC MSS 204/3/1/65.

factories which greatly impressed him with "the modernity and excellence of the plants, equipped probably with American lease-lend [sic] money." He concluded that there was a distinct danger of the British being "handicapped right out of the running."⁷²

British manufacturers closely followed the growth of the re-emerging German industry. This interest extended beyond the trade press to the popular enthusiasts' publications, whose reporters visited Germany and prepared stories on the activities of their struggling factories.⁷³ Furthermore, beginning in May 1953 the Union received the first of a long series of confidential assessments of developments among their German rivals. These reports detailed production levels, the state of their factories, anticipated changes in design and other important commercial information.⁷⁴

The reports all confirmed the alarming increases in levels of production and exports. In 1953, one such report warned there were now nearly two million motorised two wheelers registered on German roads (compared to slightly over one million in Britain) and "owing to the continuously improving living standards, there was no immediate danger of saturation in the German home market." The German Society of Cycle and Motor Cycle Manufacturers (VFM) claimed that 70 per cent of all motor cycle registrations were used for "daily transport by manual and office workers of the low income group."⁷⁵ The following year, the growth of the German

72. See 'Comment on Prices' by Edward Turner, The Motor Cycle, 18 September 1952, p.333.

73. See, for example, 'The Factories in Germany' by Arthur Bourne, ibid, 5 May 1949, pp.352-355 and 'German Motor Cycle Design' by Bert Hopwood, ibid, 13 December 1952, pp.630-632.

74. These reports, 34 in total, commenced in May 1953 and were received regularly until October 1959.

75. See 'Confidential Bulletin No. 8, Developments in the German Cycle, Motor Cycle and Accessories Industries' dated 16 November

industry was such that it was widely reported that the NSU company alone produced 110,855 machines, as many as the entire British industry, albeit nearly all in the lightweight class, and its products were being described in the business press as the motor cycle equivalent of the Volkswagen motor car.⁷⁶ For British manufacturers, it now seemed possible that a resurgent German industry might again threaten their hard won hegemony.

The Union was especially concerned about the role of the German government in promoting exports. In mid-1955 Union Director Hugh Palin wrote to manufacturers and bitterly contrasted the way Britain and Germany represented their respective industries:

There have been numerous occasions where we have found that arrangements have been made for German machines to be imported into a particular market under much more favourable terms than those accorded to the British. I have felt that German negotiators put German bicycles and motor cycles very high on their list of goods which they desire to export, whereas in the case of our negotiators they are seldom willing to 'push' any particular product. The results for us have already been unfortunate in a number of instances and could be dangerous.⁷⁷

In the event, despite state assistance, the German 'threat' never materialised in the form the British feared it would.

Instead, thanks to changes in their home market, by late 1956

1953, contained in Guardbook MRC MSS 204/3/1/76 and 'Confidential Bulletin No. 3, Developments in the German Motor Cycle Industry', dated 15 June 1953, contained in Guardbook MRC MSS 204/3/1/75. The President of the German Association of Cycle and Motor Cycle Manufacturers said that his industry's production programme was "mainly influenced by the need of the working classes to obtain cheap and efficient transport facilities." See article entitled 'Cycle and Motor Cycle Industry', Statist, 23 June 1951, p.21. 76. See 'UK Motor Cycles Abroad', Financial Times, 14 September 1955, contained in clipping volume MRC MSS 204/10/1/3 and 'Know Your Competitors, XXV - Von Heydekampf', ibid, 16 May 1956, both contained in TUC clipping file 12913 and 'Confidential Bulletin #9', dated 8 January 1954, contained in Guardbook MRC MSS 204/3/1/76.

77. See memo entitled '193/55: Directors' Personal Report', dated 20 April 1955, contained in Guardbook MRC MSS 204/3/1/80.

German motorised two wheel manufacturers faced a severe crisis of over-production.⁷⁸ Moreover, like their British counterparts, the Germans also suffered from a press campaign which focused on the high rate of motor cycle accidents. As early as 1954, the German government responded by beginning to tighten up regulations covering motor cycle use. A riding test was mandated for all machines over 50cc and the following year there was public agitation for a riding test for mopeds and there were more and more complaints from the German public about noise emitted by motorised two-wheelers.⁷⁹

The German industry's most serious problem was the public's rapidly rising levels of personal income, which led to greater levels of motor car ownership and caused motor cycle manufacturers to reconsider their future plans.⁸⁰ Indeed, the

78. When he visited a trade exhibition in October 1956, AMC Sales Director J.M. West observed a major change in the attitude of his German rivals: "The smug satisfaction of a few years ago is conspicuous by its absence, open depression reigns." In West's opinion, "the current position of the German industry [is the] equivalent to someone in the middle of the Sahara without a compass." The report, entitled 'The Frankfurt Motor Cycle Exhibition, October 1956', dated 21 October 1956, is contained in J.M. West's personal papers. For a general account of post-war German industry, especially motor manufacturing, see Simon Reich, The Fruits of Fascism. London: Cornell University Press, 1990.

79. See 'Confidential Bulletin No. 17 - Developments in the German Cycle, Motor Cycle and Accessory Industries', dated December 1954, and 'Confidential Bulletin No. 25 Developments ...', dated August 1955, contained in Guardbooks MRC MSS 204/3/1/79 and MSS 204/3/1/81 respectively. See also 'German Motor Cycle Setback', Financial Times, 26 October 1957, contained in clipping book MRC MSS 204/10/1/3.

80 See memos dated 20 January 1955 entitled '23/55: Germany', contained in 204/3/1/79 and '357/57: Director's Personal Report' dated 7 August 1957, contained in Guardbook MRC MSS 204/3/1/86. After visiting the 1956 German motor cycle show, Industries Association Director Palin identified a "rapid increase in the standards of living" as well as bad weather as the main causes for declining motor cycle sales. He also noted hostile German press coverage, which had "waged a systematic campaign against the motor cycle." See 'Special Report. German Cycle and Motor Cycle Show - Frankfurt 1956', dated December 1956, contained in Guardbook MRC MSS 204/3/1/84.

rapid changes in German society forced a fundamental realignment in the direction of the German motor cycle industry. During NSU's Annual General meeting held in early 1957, Managing Director Dr. von Heydekampf reported to the shareholders that, such was the state of the domestic motor cycle market, it had become "an economic necessity" for the company to diversify its product line and commence manufacture of a small motor car. His was a dour commentary on the future of motor cycle use in Germany:

After careful market research it has become evident that the demand for motor cycles will decline further, while scooters and mopeds will retain their popularity, although in the foreseeable future demand for them will tend to decrease.⁸¹

Later von Heydekampf described the financial year 1956/57 as "a catastrophe" for the entire German motor cycle industry. His company alone suffered from a 25 per cent drop in overall turnover and the severe slump in demand for motor cycles meant that it had diverted nearly 50 per cent of its productive capacity to manufacturing small cars.⁸²

NSU was not the only German motor cycle firm to commence diversification into four wheeled vehicles because of the falling demand for motor cycles. Firms such as BMW, Horex and Zundapp soon followed its lead while other firms such as Adler and Triumph (no relation to the British firm of the same name) were bought up by electrical giant Grundig and ultimately ceased motor cycle production altogether. There was another major consolidation in 1958 when motor car manufacturers Mercedes Benz

81. See Bulletin No. 32, 'Report on the German Cycle and Motor Cycle Industry', dated August 1957, contained in MRC MSS 204/3/1/86.

82. Ibid.

purchased the Auto-Union combine which included DKW. Finally, in 1959 the two remaining large producers, Victoria and Express, joined DKW to create the so-called 'Zweirad Union'. Like its British counterpart, the German industry had become more and more concentrated.⁸³

Because of their intense pre-occupation with the perceived threat posed by the German industry, British manufacturers were largely oblivious to developments in the Far East. In view of the outstanding success of the Japanese motor cycle industry only ten years later, it is ironic that for most of the 1950s the British industry saw Japan nearly exclusively as a potential market, not as a possible rival. Although British motor cycle manufacturers had a modest export trade with Japan during the 1920s, this had virtually ceased after 1930 when Japan became dominated by militarists, who clamped down on imports of foreign manufactured goods. After the war, the British again looked to Japan, now under American occupation. As Japan rebuilt its devastated economy, there was much demand for cheap personal transport, which British motor cycle manufacturers believed they were well placed to provide. This belief was reinforced by reports from the British embassy in Tokyo which described a strong upsurge in motor cycle usage, albeit virtually all in the lightweight class. It also stressed that there was much interest in imported machines, especially those from Britain.⁸⁴

83. See Confidential Bulletin No.3, 'Report on the German Cycle and Motor Cycle Industry', dated 29 May 1953, contained in MRC MSS 204/3/1/88 and memo '59/59 - Bulletin No. 33 - Report on the German Cycle and Motor Cycle Industry' dated 18 February 1959, contained in Guardbook MRC MSS 204/3/1/90. For details on BMW at this time, see 'Shocked into Excellence', Independent on Sunday, business section, 28 June 1992, pp.12-13.

84. See memo entitled '326/52: Japan - Motor Cycle Exports', dated 5 November 1952, which noted the popularity of foreign

The Japanese motor cycle industry, insignificant before the war, grew rapidly after 1948. As in Germany, this growth was in large part the result of American economic aid. British motor cycle manufacturers were well aware of the heavy emphasis American policy makers put on a speedy Japanese economic recovery. The US Congress had, the Union was informed by a reliable source, told the Occupation Authorities that their top priority was to "get the Japanese on their feet, solvent and able to pay their way without American aid. This is almost a 'religion', and nothing else matters." Such an attitude did not bode well for future British exports to Japan.⁸⁵

Indeed, Japan's desire to protect its nascent industries was not at all conducive to encouraging imports. Despite the continuing demand from consumers for imported motorised two wheelers, the Japanese government was singularly uncooperative to requests from British manufacturers for increased import quotas. Instead, imports were restricted to a small trickle.⁸⁶ Repeated protests from the Embassy on behalf of British manufacturers to increase import quotas were fruitless. The Japanese claimed the restrictions, which included high tariffs, were necessary because of their low sterling balances, although one Ministry of International Trade and Industry (MITI) official, writing in response to a query from the British Embassy, offered another

machines. The memo is contained in Guardbook MRC MSS 204/3/1/74. See also Document 47a, dated 30 September 1952 and entitled 'Motor Cycles' and document 47b, letter from N.S. Roberts, Minister, British Embassy Tokyo, to Nobuhiko Ushiba, dated 30 September 1952. Both documents are contained in PRO BT 11/4452. 85. See memo, 'Japanese Competition', dated 19 April 1950, Guardbook, MRC MSS 204/3/1/68.

86. For the popularity of foreign motor cycles on the Japanese market, see memo entitled '326/52: Japan - Motor Cycle Exports', dated 5 November 1952, contained in MRC MSS 204/3/1/74.

explanation. The import restrictions, he baldly stated, were protectionist in nature and those few British motor cycles being allowed in were strictly for inspection by Japanese manufacturers, not for the general use of consumers.⁸⁷ Later there were small increases in the British import quota, although the Japanese refused to allow entry of British motor cycles with more than a 250cc engine displacement size, on the grounds that, other than for police and military forces, there was very little consumer demand for the larger machines.⁸⁸

By the mid-1950s, British manufacturers had become as concerned about the influx of lightweight machines from the Continent as they were about restricted export markets. However, Industries Association Director Palin was reluctant to recommend an appeal to the Government for increased tariffs. He urged caution on the grounds that, "in view of our world-wide interests it would not be wise to make any official move for a restriction of imports by quotas, or by an increase in import duties." Several months later, Palin again wrote to the Council reporting a further deterioration of trade. For the first six months of 1956,

87. See memo entitled '171/53: Japan - Motor Cycle Exports', dated 11 May 1953, contained in Guardbook MRC MSS 204/3/1/75. According to W. Rawson, BSA's Export Manager, "In Japan there is a tremendous demand for motor cycles both domestic and imported, and the domestic manufactures far from being hurt by imported machines, are not able to fill more than a fraction of the total market. We ourselves could easily sell one hundred BSA motor cycles per month, judging from our waiting list, but the last allocation, which was only one tenth of our previous allocation, permitted us to bring in only 20 or 30 machines per month." See Document 54, letter from W. Rawson to the Board of Trade, dated 31 October 1952. For the Japanese position, see Document 51a, N. Ushiba, Chief of International Trade Bureau, MITI, to N.S. Roberts, Minister, British Embassy Tokyo, dated 8 October 1952. Both documents are contained in PRO BT 11/4452.

88. See memo entitled '61/56: Japan - Motor Cycle Exports', dated 7 February 1956, contained in Guardbook MRC MSS 204/3/1/82 and memo '61/56: Japan - Motor Cycle Exports', dated 7 February 1956, contained in Guardbook MRC MSS 204/3/1/82.

production was down nearly 25 per cent on the comparable period in 1955. Imports, however, had continued to rise. As before, these were mainly in the under 49cc engine capacity category.⁸⁹

The higher levels of imports caused a split in the ranks of British motor cycle manufacturers. While there continued to be consensus about the need to maintain, if not to increase, existing tariffs and import quotas, some manufacturers wanted to petition the Board of Trade to reduce the current duty of 30 per cent on imported moped components. In the absence of a domestic manufacturer providing 49cc engine units, they claimed a reduction was necessary to allow them "to compete more favourably with foreign machines both at home and abroad." The Industries Association's governing Council, however, turned their motion down.⁹⁰

Tariffs and import duties also created friction among manufacturers and certain retailers. In 1958 the Industry Association Council debated a motion which would have restricted its membership only to manufacturers with a total commitment to British products. The motion was not adopted but the following year the Council did create a membership category for Concessionaires and defined a 'British' manufacturer as one whose wages and materials were at least 75 per cent British origin. Another successful motion forbade manufacturing members from

89. Domestic production was 105,191 in 1955, and 79,870 in mid-1956. By contrast, imports were 13,855 in 1955 and had already reached 25,121 in mid-1956. See memo to the Council, dated 20 August 1956, entitled '280/56: Director's Personal Report', contained in *ibid*.

90. *Ibid*. Later that October, the Motor Cycle Manufacturers' Section unanimously voted against the same motion once more. See, minutes of the Motor Cycle Manufacturers' Section, 25 October 1956, contained in Industry Association Guardbook, MRC MSS 204/3/1/84.

exhibiting foreign machines on their pavilions at the annual Show.⁹¹

Although sales of all motorised two wheelers declined between 1956 and 1958, lightweight models were affected proportionately far less and the market share of the under 150cc machines continued to gain relative to the heavier weight, orthodox motor cycles. The former now held two-thirds of total new sales, compared to one half in 1955. The trend was vividly illustrated in sales to various governmental and service organisations. While it was disappointing that British consumers were buying more and more foreign machines, the manufacturers were outraged to discover that formerly loyal fleet purchasers had also begun to stray. Not only did police forces begin to buy foreign machines, mainly scooters, but so did high profile commercial users such as BOAC. Even the RAC began to use Vespas (albeit British built models) for its patrol vehicles. Protests were made, phrased as patriotic exhortations, but without success.⁹²

91. The initial debate about membership took place on at a Council meeting conducted on 1 October 1958, see minutes contained Guardbook MRC MSS 204/3/1/89. The new membership category was adapted during a subsequent Council meeting held on 24 March 1959, while the Show rules were amended during a meeting on 26 May 1959. Both minutes are contained in Guardbook MRC MSS 204/3/1/59.

92. See memo (no date but probably autumn 1957) entitled '165/57: Director's Personal Report', contained in Industry Association Guardbook, MRC MSS 204/3/1/85. For reports of sales of imported foreign scooters see, for example, a Industry Association memo, dated 21 March 1958, which contains a protest to the Blackburn Police, who had recently bought Italian scooters, entitled '139/58: Director's Personal Report', contained in Industry Association Guardbook, MRC MSS 204/3/1/87. See "More British motor scooters 'on way'" a story about the Birmingham Police using Vespas, built under licence by Douglas, published in the Birmingham Post, (no date, summer 1956) contained in the Industry Association news clipping book, MRC MSS 204/10/1/3. See also memo entitled '323/57: BOAC - Supply of Motor Cycles', dated 15 July 1957, which described how the airline was using German scooters for transporting aircrew and a series of stories in the Motor Cycle and Cycle Trader, about the

Moreover, the motor cycle press, or at least the technical publications, were becoming less obedient than they had before in toeing the manufacturers' line. For example, in a memo written in 1959 Industry Association Director Hugh Palin expressed his "complete frustration" with the editor of the Motor Cycle and Cycle Trader who, despite having been warned on several occasions, had given prominent coverage to the expansion of the premises of a leading importer. This editor had subsequently compounded his disloyalty by providing what was described as "extensive and enthusiastic" coverage of foreign machines. Such reporting, Palin told the miscreant, was simply not acceptable. Industries Association members were "extremely annoyed" by this editorial policy and it was the Trader's duty, "as a British trade paper [that] the emphasis should always be first and foremost on British products." If it insisted on carrying stories about overseas rivals they "must be included ... [in] much less prominent positions towards the back."⁹³

Yet, Palin had to concede, British manufacturers really had only themselves to blame for the fact that press coverage was shifting to the imports. As the editors of the technical press had pointed out to him, they would have provided more coverage of British-made models but the manufacturers had failed to provide them with test machines. As Hugh Palin noted, neither did the manufacturers "exert [themselves] very much to provide interesting copy, which they [the press] urgently need." If they

Liverpool Police buying Vespas (19 February 1955), the Cambridge police doing the same (15 October 1955, p.32) and the RAC using foreign scooters (15 March 1958).

93. See memo dated 24 September 1959 entitled '380/59. Director's Personal Report', p.4. and letter from Palin to F.G. Bebb, editor Trader Publishing Co., dated 13 October 1959, both contained in Guardbook MRC MSS 204/3/1/91.

wanted better coverage, there would have to be more cooperation.⁹⁴

By 1958, the lightweight market, particularly that for scooters, finally began to settle down. The manufacturers had still to produce a scooter of their own to successfully challenge the imports. Writing in the Financial Times the following year, Edward Turner mounted his own defence of the industry's failure to make an entry into the scooter market. He agreed with the industry's critics that the type of people who bought scooters was quite different from the kind of consumers the industry had catered to in the past:

The scooter owner is not an ex-motor cyclist, he or she, is a new class of motor vehicle owner who is in many ways parallel to the average car owner who buys his vehicle to tour, to shop, to go to work, and is not technically interested in the vehicle as such. This is in contrast to the motor cyclist who is usually an enthusiast for motor cycles and motor cycling, and is ready to discuss technicalities of design and performance at the drop of a spanner.⁹⁵

True, the Italians may have gained a strong hold of the British scooter market, but Turner claimed it did not have to be permanent. This was now about to change, since BSA/Triumph were planning to make their first serious incursion into the scooter market since the abortive 1956 'Beeza' project. Despite the fact that most scooters were powered by engines in the 98cc to 175cc engine displacement class, Turner's firm intended to manufacture

94. See memo entitled '32/56. Motor Cycle Publicity - The Technical Press', dated 17 January 1956, contained in Guardbook MRC MSS 204/3/1/82.

95. Turner also admitted that most British scooter manufacturers originated from smaller firms, which because of their relatively higher costs, were unable to compete with their Continental rivals' lower prices. See 'Scooters: A British Challenge to the Continentals', Financial Times, 20 October 1958, contained in clipping volume MRC MSS 204/10/1/3.

what he called a 'super-scooter' in the 250cc class, although this would be priced competitively against a Vespa. The new model (badged as either the Triumph 'Tigress' or BSA 'Sunbeam'), Turner was convinced, would establish a strong British presence in the domestic scooter market.⁹⁶

Such confidence notwithstanding, the trading patterns continued to work against British motor cycle manufacturers. During 1957 and 1958, the flow of imports had grown even larger. By the late summer of 1958 they had actually exceeded Britain's motor cycle exports in volume, if not value, an "unprecedented situation" in the words of Hugh Palin.⁹⁷ The composition of the imports continued to be overwhelmingly in the under 150cc category and were mostly Italian in origin. Industries Association Director Palin was convinced this situation, which he said was "causing us considerable concern," was actually the result of the "great pressure" being put on British concessionaires by Italian factories. Palin further noted that Britain had become the Italian scooter industry's "biggest and most important market." In a review of domestic sales over the past twelve months that he prepared in mid-1957, Palin reported the good news that, for the first time, over 200,000 new machines had been sold on the Home market. Unfortunately, more than 100,000 of these were now foreign made. The British industry still seemed incapable of winning back the loyalty of their own consumers, no matter how

96. Ibid. The BSA/Triumph scooter was priced at between £220 and £250 (depending on specification) compared to between £195 and £230 for a Vespa.

97. See memo entitled '357/57: Director's Personal Report', dated 7 August 1957, contained in Guardbook MRC MSS 204/3/1/86.

many different types of new lightweight machines they introduced.⁹⁸

Moreover, sales of the traditional large displacement motor cycles slumped. In 1958, after 200 workers at the AMC Woolwich factory had been made redundant, an official stated that "home demand had fallen off to such an extent that they could be said to be living on export orders." He also expressed apprehension about the contents of the upcoming Budget, which was believed to contain further credit restrictions.⁹⁹

Again the industry blamed government policy for its problems. The official briefs dating back to the 1920s and 1930s were dusted off and re-cycled, as the manufacturers travelled down from Coventry to London to again seek concessions from Ministers in Whitehall. These were necessary, they adamantly maintained, to resuscitate the industry's fortunes, both at home and abroad. The industry insisted that the solution to improving its economic health was simple. They must expand production at home, especially in the lightweights and scooters, in order to lower their costs and so remain competitive in export markets. In time, presumably, this would result in healthier sales of the larger, orthodox motor cycles.¹⁰⁰

98. In mid-1957, there had already been 24,000 Italian, 14,000 German and 6,000 French motorised two-wheeled imports. See memo dated 7 August 1957, entitled '357/57: Director's Personal Report', contained in Industry Association Guardbook, MRC MSS 204/3/1/86; see memo dated 21 March 1958, entitled '139/58: Director's Personal Report', contained in Industry Association Guardbook, MRC MSS 204/3/1/88. See also, 'Only Scooters Prosper', Economist, 14 August 1957, p.577.

99. See '200 motor cycle men given notice', Times, 12 April 1958, contained in TUC clipping collection, file 12915, on deposit at the MRC.

100. This view was expounded by Hugh Palin in an article published in 1957. Palin accused the government of continuing to "strangle the production and sales" of mopeds by treating them as the larger, more powerful motor cycles. Moreover, requiring

The best way the government could help boost domestic sales was to follow the manufacturers' four fold policy: it must reduce Purchase Tax, stabilize fluctuating hire purchase terms, lessen regulations (ie lower or maintain the riders' age, and not require safety devices such as compulsory helmets or turning indicators), and copy their Continental rivals by removing tax and drivers' licences and tests for mopeds.¹⁰¹ Once more, the industry tried to shift responsibility onto the government to create a more favourable environment for greater motor cycle sales. The lightweights and scooters did not have to be foreign made; the British industry could supply the Home market, if given the proper incentives. The fact that the legislative concessions sought by the industry would also benefit imported machines equally did not seem to greatly trouble British manufacturers. Moreover, the industry's arguments still rested on what was essentially an article of faith. Their case contained little factual information to convince sceptical Ministry of Transportation and Board of Trade officials to change their policies. And the industry's problems were now vastly aggravated

drivers' licences and test were not only a deterrent to prospective consumers but also undermined "the efforts of the manufacturers to found a moped industry on anything but a small scale." See 'Two Wheeled Transport', FBI Review, October 1957, pp.57-64. The Union's position was also produced in a popular format designed for wide distribution through retailers, see Vehicle Legislation and the Moped, dated March 1957. A copy of this pamphlet is contained in Guardbook MRC MSS 204/3/1/85.

101. This is the substance of remarks made by Industry Association Director Hugh Palin when he met E.I.R. MacGregor, an official at the Ministry of Transport's Road Safety Division, during a meeting of 27 February 1958, see MacGregor's report, dated 28 February 1958, contained in sub-file RS2/15/00, PRO MT 92/63, entitled 'Accidents. Mopeds. Licensing and Accidents rates.' Compulsory helmet use was not adopted at that time, on the grounds that such a law could not be effectively enforced. See draft letter dated 11 June 1956, Minister of Transport to Godfrey Nicolson MP, contained in PRO MT 92/33.

because of growing public reaction against its products, reflected in even more sensationalist press coverage of motor cycle accidents.

In April 1957, a delegation from the Industries Association met with Harold Watkinson, Minister of Transport, in order to press their arguments that, in the interest of stimulating sales of mopeds, the government should drop the minimum riding age from 16 to 15 and waive the requirement for riding tests and licences. During their presentation, the delegation showed some sensitivity of public disapproval of how motorised two wheelers had been operated on British roads. Their brief defended the skills of both motor cyclists and scooterists, explaining that "young men of today handle with competence complex machinery that their fathers ... only dreamed of." They admitted, however, that there "will always be so-called reckless young men. Some will ride motor cycles, some drive sports cars ... and in wartime pilot aircraft, command tanks or submarines." The manufacturers claimed that government regulations were "strangling output" and maintained that prospective moped buyers were "put off because they fear the test or regard it as too much of a nuisance." Yet, they insisted, greater moped sales would ultimately stimulate sales of the larger orthodox models.¹⁰²

Shortly afterwards, Director Hugh Palin and another delegation met with Richard Nugent MP, Parliamentary Secretary to the Ministry of Transport and Civil Aviation. During this meeting

102. See 'Ride that moped at 16 ... and no L-tests', News Chronicle, 2 April 1957, contained in clipping volume MRC MSS 204/10/1/3 and memo from E.W. McCallum, Engineering Industries Division, Board of Trade, to C.P.F. North, Ministry of Transport and Civil Aviation, dated 17 April 1957 and contained in PRO MT 92/63.

they were told that there was little likelihood of any change in existing legislation, because of the high motor cycle accident rate. As the minutes of the meeting record, Nugent left the delegation little room for doubt about the government's position. Because of the "high density of traffic" on British roads which made motor vehicle operation so demanding, "he saw little chance of public opinion, or of opinion in Parliament, accepting the idea of abolishing the requirement that young riders of low powered cycles [hold] driving licences and pass a driving test." Moreover, the "motor cycle was shown by accident records to be the most dangerous type of vehicle" and Parliament simply would not agree with any measure lowering the age limit for riding one.¹⁰³

Nor were Ministry officials convinced by the industry's argument that it was desirable, from the perspective of reducing road congestion, to promote greater use of mopeds through removal of these regulatory impediments. Again, privately they remained suspicious of the industry's motives:

Mr. Palin's arguments about the relative safety of the moped are open to some doubt and his argument that increased use of mopeds would reduce the use of motor cycles and so assist road safety is inconsistent with his point that the manufacturers wished to appeal to a new class of user. It is more likely that increased use of mopeds would, in fact, result in decreased use of pedal cycles and therefore bring additions to the numbers of mechanically propelled vehicles on the roads and so add in some degree to accidents figures unless the moped were safer than the pedal cycle which even Mr. Palin does not claim.¹⁰⁴

103. See 'Note of meeting with a Deputation from the British Cycle and Motor Cycle Industry Association', dated 29 May 1957, contained in PRO MT 92/63.

104. See brief prepared by E.I.R. MacGregor, Road Safety Division, Ministry of Transport, dated 28 February 1958, contained in ibid.

There were also instances when the industry failed to prevent the indiscretions of its own members, which reinforced the prejudices of its critics. In 1960, for example, after a bill which would have liberalised existing moped regulations died in Parliament, Palin wrote to manufacturers to explain why they had been unable to muster a sufficient number of sympathetic MPs to carry the Bill. The problem, Palin claimed, was that the Association's lobbying effort had been "sabotaged" from within. The finger of blame was pointed at the "ill-advised publicity" generated by a certain importer, who had widely advertised that he had mopeds in stock which could easily reach 50 miles per hour. This had occurred at a time when the Association was trying to convince Parliamentarians that the moped was essentially a powered bicycle and not capable of speeds in excess of 30 miles per hour!¹⁰⁵

The industry's complaints that legislative burdens hobbled their competitive position with Continental rivals fell on equally unsympathetic ears. As one Board of Trade official noted in 1957, the real issue was the fact that the industry was trying to shift the responsibility of its own tardy reaction to market changes on to the government. Noting that there were peculiar circumstances prevailing on the Continent which had created their robust home markets for such machines, he made the following observation:

105. See memo 253/60: Director's Confidential Report' dated 13 May 1960, contained in Guardbook MRC MSS 204/3/1/93. Columnist Francis Jones believed the Bill had been "torpedoed [because of] the accident panic ... and nothing else, [combined with] the apparent inability of some MPs to see any difference between a motorised bicycle and a 100 mph road-burner." See 'Motor Cycle Matters', Motor Cycle and Cycle Trader, 8 April 1960, p.12.

... I think it would be true to say that in 1949, had the UK Industry been asked then whether the mopeds which were just beginning to be thought about in European production circles would become the popular vehicles they have, the answer would have been to the effect that the demand was bound to be a temporary one, and that the vogue would die away as quickly as it appeared. The UK Industry now accepts that in this assessment of the situation in 1949 manufacturers made an error of judgement. Belatedly, they have tried, and are still trying hard, to catch up with their European competitors, but they are some four years behind, and their efforts must at first be concentrated on the home market for technical and commercial reasons.¹⁰⁶

Once more, the Ministry refused to bail the British motor cycle industry out of a problem of its own making.

Despite their failure to move either politicians or Whitehall officials, the industry seemed by 1959 to be improving its hold on the home market, at least in orthodox heavyweight motor cycle sales and was believed to have even begun to make inroads in the moped and scooter markets. More significantly, two large manufacturers who had hitherto not committed substantial resources to the lightweight machines now entered into the marketplace. Raleigh Industries, Britain's largest bicycle producer, came out with a moped in 1958. This was followed by a much anticipated announcement by Villiers Engineering, the country's dominant producer of proprietary engines, that it was finally going to produce a 49cc unit for mopeds. This would place the smaller independent manufacturers in a far better competitive position relative to overseas rivals.¹⁰⁷

106. See memo from E.W. MacCallum, Engineering Industries Division, Board of Trade, to C.P.F. North, Ministry of Transport and Civil Aviation, dated 17 April 1957, contained in op cit.

107. According to Francis Jones, the reason that Villiers had not previously produced a moped engine was insufficient manufacturing capacity. Villiers had, however, absorbed its chief rival JAP in 1945. See 'Motor Cycle Matters', Motor Cycle and Cycle Trader, 7 December 1957, p.134.

One event subject to great publicity was the launch of the new BSA/Triumph scooter, conducted in London at a Park Lane location, attended by, among others, motor car racer Stirling Moss and entertainer Harry Secombe. Managing Director Edward Turner had to admit that, although there were an estimated quarter million scooters on British roads, "so far, however, only a relatively small proportion" were made in British factories. That, he predicted, would soon change, especially as both AMC and Velocette were also near to introducing their own scooters as well.¹⁰⁸

The vitality of the German industry might have flagged but the British on the other hand, so the trade press claimed, were stronger than ever. The proof was to be found in the new models, mainly in the lightweight category, which continued to be developed by the British firms. Not only did the domestic scooters have good designs and "contemporary styling" but they were manufactured with "the traditional quality in workmanship and finish for which British motor cycle factories are renowned." New models in the 250cc category included the Ariel 'Leader', which was heavily influenced by scooter design, with the extensive use of fibreglass bodywork. In fact, many of the more traditional models produced by Triumph, Norton and Royal Enfield featured scooter-type styling.¹⁰⁹ The influx of foreign scooters and mopeds continued, but they now had more determined domestic

108. The BSA/Triumph gala took place at Grosvenor House, while the new Raleigh moped was unveiled at the Savoy Hotel. See 'Blare of Publicity Follows Pre-Show Presentations of New Models', Motor Cycle and Cycle Trader, 8 November 1958, pp.66-68. See also 'The Lightweight Trend', The Motor Cycle and Cycle Export Trader, January/February 1958, p.1.

109. See 'Motor Cycle Industry's strong position', Export Trader, January/February 1959, pp.14-16.

competition. Even the columnist Francis Jones, reviewing the 1958 Show, expressed the belief that the industry had finally got it right and was producing the kind of machines that British consumers wanted.¹¹⁰

Not all, however, was well on the race-track. As in the marketplace, British competitive success in sporting events was declining. Yet, for some years after the war their position had seemed secure. Unlike their football and cricket teams, British motor cycles kept on winning race after race, particularly in road racing venues such the Isle of Man TT. In contrast with the defeat of the British national football team by the Hungarians in 1953 (the first time a foreign football team had won a major match on a home pitch), British motor cycles stayed on top, at least in the medium and heavy weight categories.¹¹¹ However, starting in 1947 (the first post-war TT) Italian machines scored victories in the lightweight (under 250cc) category, although as late as 1954, British machines still maintained a strong presence at the Senior and Junior TTs. As one trade journal commented, such victories demonstrated "once again that while British manufacturers have been content to leave to the Continental makers the development of the lightweight as a speed machine, in the 350cc and 500cc classes British reliability remains unsurpassed."¹¹²

110. In Jones' words, "some makers are getting nearer to the original idea of the powered cycle, instead of trying to develop their products into super-lightweights. See "A Show that inspires confidence", Motor Cycle and Cycle Trader, 22 November 1958, pp.155-57.

111. In 1953 the top two positions in both the Senior and Junior TT were won by British machines (Norton) and riders. See Matthew Freudenberg, The Isle of Man, op cit, pp.165-166.

112. See 'A Memorable TT', Motor Cycle and Cycle Trader, 26 June 1954, p.173.

British supremacy in the 'Senior' and 'Junior' categories, (500cc and 350cc engine displacement respectively) lasted until the mid-1950s, when the Italian Gilera and Moto Guzzi teams started to take the top prizes. The greater technical sophistication of the foreign competition, especially the more advanced multi-cylinder engine designs, gave them an increasing edge in performance. Then, in 1955, a four cylinder Gilera model won the prestigious Senior TT race (with a British rider, Geoff Duke). Company owner Giuseppe Gilera had no doubt about the significance of this victory: "We race to win. It brings prestige. That sells motor cycles."¹¹³

The single cylinder Nortons, once so formidable, had become dated and unable to maintain the pace now set by the opposition.¹¹⁴ The tone of press coverage reflected a sense of dismay that this traditionally British dominated sport was slipping into foreign hands.¹¹⁵ Finally, in late 1956 Norton Motors Managing Director Gilbert Smith and Sales Director J.M. West made a "surprise announcement" which shocked many in the motor cycle racing world. Henceforth AJS and Norton, both AMC

113. Ironically, most of the Gilera factory output was in the 150cc class and its largest production model was only 300cc. The machine that won the Senior TT was specially built for the race. See 'Britain must race to win', Daily Sketch, 2 July 1955, contained in newspaper clipping book MRC MSS 204/10/1/3.

114. See Massimo Clarke, 100 Years of Motorcycles, New York: Portland House, 1988, pp.82-92.

115. According to one national daily: "It is not only in football that Britain is suffering a sporting eclipse. In the one field in which this country has for so long been supreme the foreigners are now setting the pace - motorcycling. [Except for a period during the 1930s]... motor cycles made in Britain, ridden almost without exception by British riders, were better than anything any other country could produce." See 'Britain no longer leaders world motorcycling', Evening Standard, [no date, but probably October 1954], contained in the Manufacturers' Union newspaper clipping book, MRC MSS 204/10/1/3.

subsidiaries, would no longer sponsor an official factory race team.

Smith and West stated that their firms could no longer compete successfully with foreign entries, which like the Gilera, were now highly developed, special purpose 'one off' models. The two British managers maintained that, unlike the foreigners, their machines were essentially production models modified for the race track. AMC had neither the resources nor the desire to try and match the achievements of the foreign machines. In the words of AMC Managing Director Donald Heather, they would withdraw "to enable the companies to devote all their technical knowledge and experience to standard products."¹¹⁶

The following year, Hugh Palin responded to criticism that the industry had been lax in allowing foreign motor cycles to wrest away race track supremacy. He stated that the Italian victors at the TT were "specialised products bearing no relation at all to what the manufacturers concerned normally produce". The British, by contrast, used "virtually standard production models." Palin drew a parallel between the race track and the showroom. While it was true that the Italians and Germans had scored successes in both areas, but Britain was still the world's major supplier of orthodox motor cycles above 350cc capacity. Moreover, Palin

116. Gilbert Smith also commented on the great expense required to hire top class riders. He calculated that it would cost Norton £156,000 alone just to maintain three first class riders. See 'Norton and AJS quit racing', Daily Herald, 8 November 1956, contained in TUC clippings file 12913, on deposit at the MRC. For Heather's remark, see 'No Norton or AJS works entries', Manchester Guardian, 8 November 1956, contained in newspaper clipping book MRC MSS 204/10/1/3.

argued, for all the criticism the industry had suffered, it "has remained on a sound economic basis, unlike its German rivals."¹¹⁷

The industry may have been in a stronger position than before, but it was also in a state of transition, as far as the character of higher management was concerned. From the mid-1950s and for several years afterwards, a number of senior managers, who had come into office during the 1930s or before, left the scene. One of the first to go was Charles Collier, who died at age 69 while at work in the factory during 1954. Together with his brother Harry (who had died in a motor cycle accident in 1943) and then subsequently Donald Heather, he had managed AMC for many years. His obituary noted that "throughout a lifetime devoted to the production of motor cycles, he never lost his deep interest in motor cycling." The same could not be said of his successors, Alan Sugar and J.F. Kelleher (who was Harry Collier's son-in-law), who were more interested in the financial side of the enterprise than the technical. Indeed, J.M. West, a fellow Board member, doubted whether either of them were able to "tell the difference between a two stroke and a four stroke engine."¹¹⁸ Gilbert Smith had begun work at Norton Motors as a boy and had been appointed Managing Director in 1945. Largely under his direction the company built up a reputation of manufacturing Britain's finest racing machines. In 1958 Smith had a falling out with the AMC Board, which had bought Norton several years earlier, causing him to tender his resignation. He subsequently

117. See 'Why Foreign Machines Won TT Victories', Coventry Evening Telegraph, 27 June 1957, contained in newspaper clipping book MRC MSS 204/10/1/3.

118. See Collier's obituary, The Motor Cycle, 2 September 1954, p.311, Peter Hartley, Matchless - Once the Largest British Motor Cycle Manufacturer, p.152 and J.M. West interview, 23 November 1994.

became a Director of Raleigh Industries, responsible for its Motor Division. Smith died in 1964.¹¹⁹

Also during 1958, Eric Walker, long-time Chairman and Managing Director of the Excelsior Motor Company, died at age 74. Walker was described as a "life-long [motor cycle] enthusiast" who had received an MBE during the war for designing a paratroopers' motor cycle.¹²⁰ Several years later, Eric Barnett, long-standing Managing Director of Francis-Barnett even after it had been bought up by AMC, was killed in a traffic accident. Son of the company's founder, Barnett was a dedicated enthusiast who enjoyed personally testing his firm's motor cycles whenever possible, on the grounds that he believed in "manufacturers riding their own machines and knowing their products."¹²¹ The following year another major management figure from the inter-war era, Frank Smith, who had been Chairman and Managing Director of Enfield Cycles since 1935 (having succeeded his father), died of a lengthy illness. Smith, another dedicated enthusiast, had also been, among other things, President of the Redditch Motor Cycle Club.¹²²

The passing of these men did not necessarily mean a radical change of orientation in their firms. In some cases, these did not long outlast their former managers. It was BSA, however, where the change-over was particularly marked. In 1956, James Leek, who had become Managing Director of BSA Small Heath

119. See Woollett, op cit, p.264 and obituary, Motor Cycle and Cycle Trader, 7 August 1964.

120. See obituary, ibid, 29 March 1958, p.374.

121. See biographical piece prepared by R.H. Thomas, The Export Trader, June 1946, p.332 and obituary, Motor Cycle and Cycle Trader, 15 December 1961.

122. See biographical piece prepared by R.H. Thomas, The Export Trader, December 1946, pp.466-468 and obituary, Motor Cycle and Ccycle Trader, 4 May 1962, p.62.

operations during the war, retired at age 64 because of ill-health. It was noted that as late as 1946, he had remained a keen motor cycle enthusiast. One report claimed that there was "nothing he loves better than 'hitting it up' to 80 mph or more in a car or a motor cycle on a road which lends itself to such speed." It was also true that, at least until shortly after the war, he used to come to the factory riding a motor cycle side car combination. The following year, it was announced that Edward Turner, Managing Director of Triumph Engineering since 1936, would become head of BSA's newly formed Automotive Division, which covered the motor cycle subsidiaries along with the Daimler motor car operation.¹²³

Turner should have been an ideal choice to manage BSA's motor transport interests, particularly the motor cycle end. During his long career in the industry he had been involved in virtually all aspects of design work and factory management while at Ariel Motors and then Triumph Engineering. Often a difficult person to work with (Hopwood recalled him as "the most egotistical man that I have ever met" although also praised his "down to earth business common-sense and ... his ingenuity") he nonetheless succeeded in making it a highly profitable company.¹²⁴ His tenure at BSA was less successful. Triumph's operation was small in comparison to BSA and Turner may well have been overwhelmed with the task of coordinating a much larger enterprise.¹²⁵

123. See biographical piece prepared by G.E. Thomas, Export Trader, August 1946, pp.395-396 and Ryerson, op cit, pp.59-60.

124. See Hopwood, op cit, p.15 and p.25.

125. So is the opinion of John Balder, who was BSA's Service Manager during Turner's stint as Managing Director. Balder interview, 18 November 1994.

In fact, Turner refused to even move his office from Coventry to Birmingham. On one occasion, Neile Shilton, a Triumph sales representative, once saw him move his desk from one side of his Meriden office to the other, declaring that he intended to get no closer to the main Small Heath headquarters. Hopwood recalled that he seemed "to hibernate at Meriden with rare visits indeed to Selly Oak [the Ariel factory] and Small Heath." Worse yet, Turner, at heart always a Triumph partisan, did little to encourage the smooth coordination of the three motor cycle subsidiaries, and instead "greatly encouraged the animosity between the three operations."¹²⁶ He also began to suffer from health problems, which may have been the cause of his occasionally eccentric public statements and that would ultimately cause him to retire in several years time. In practical terms, all this meant that during the period between 1956, when James Leek retired and 1964, when a new Managing Director was appointed, BSA's motor cycle operations functioned virtually without any central direction or purpose.¹²⁷

126. Hopwood noted that Turner "flatly refused to allow any movement towards inter-company management collaboration and it is not surprising that, given this sort of encouragement, a barrier of mistrust grew which was, much later, almost impossible to remove." See Hopwood, op cit, p.128 and p.132. See also Shilton, op cit, p.147, Ryerson, op cit, pp.153-158 and the entry on Edward Turner, prepared by Barbara Smith, contained in the Dictionary of Business Biography, pp.564-569.

127. In early 1961, Turner wrote a journal article wherein he predicted that in 50 years time motor cycles would be powered by thermo-nuclear generators. In fairness to Turner, the article may have been written in less than perfect seriousness. See 'A Turner forecast - the motor cycle of AD 2010', Motor Cycle and Cycle Trader, 13 January 1961, pp.258-259; in John Balder's opinion, during the Turner years as Division Managing Director, there was little or no direction received by the subsidiaries. One manifestation of this lack of leadership was the fact that almost no new product development occurred under the Turner Directorship. See Balder interview, 18 November 1994.

Sangster himself, after years as the dominating figure of the industry, was now coming to the end of his active career. Having taken over the BSA Chairmanship after the turmoil following the removal of Bernard Docker, he had been able to stabilise the firm. BSA underwent a period of retrenchment, selling off various subsidiaries, such as the bicycle and earth-moving equipment divisions, and substantially reduced the debt passed on from the Docker era.¹²⁸ Yet, among all this activity, Sangster himself retained his earlier interest in motor cycling and motor cycle sports. Shilton, for example, recalled an incident during this time when Sangster arrived at the Mallory Park race circuit in his Bentley motor car, but "within a few minutes [he] had put on his riding kit and was enjoying himself round the circuit on my Tiger."¹²⁹ However, Sangster never made any secret of the fact that he had only taken over from Docker as a short term measure until a more permanent replacement could be found.¹³⁰

In 1959 he found his successor. Eric Turner (no relation to Edward), an accountant who was Managing Director of Blackburn Aircraft and barely 40 years old, was recruited onto the BSA board. Unlike either Sangster or Leek, Eric Turner was not an enthusiast. When Shilton first met him, his immediate impression was that he "did not like motor cycles" and was inclined to see them as just another 'consumer durable'. Still the new era started off well. Sangster delivered his final Chairman's speech

128. The sale of the bicycle subsidiary was especially significant, insofar that its Montgomery St. factory had built the Group's clip-on bicycle engine unit, the 'Winged Wheel.' After the sale, BSA would do little development in this lightweight engine category for years to come.

129. Shilton, op cit, p.88.

130. See the entry on John (Jack) Young Sangster, prepared by Barbara Smith, contained in op cit, pp.55-59.

at the 1960 Annual General Meeting, proudly informing shareholders of a profit of £3,418,548, compared to the £1,604,941 declared in 1956. He then retired as chairman and although still on the board appeared to play little active role in the running of the company. He is remembered by one senior executive at this time as a 'dapper man' who "lived in some style in his Park Lane apartments."¹³¹

BSA's improved position was reflected throughout the industry generally. Indeed, 1959 had been the best sales year ever for the British motor cycle industry, with a grand total of some 250,000 machines sold, of which 127,500 were orthodox motor cycles. There were a number of factors responsible for the high sales. The weather was exceptionally good that spring and summer. The government, with an eye to an impending General Election, had relaxed Hire-Purchase regulations and lowered Purchase Tax.¹³² Many Managing Directors must have thought that this development vindicated their many briefs to Ministers and, at last, they had cleared the hard times and entered a period of increased sales which would be more than temporary [see Appendix 1, Tables XXI and XXII]. However, these were deceptive statistics. For example, many of the machines listed as part of British production were actually foreign designed units, such as the Douglas 'Vespa' built under licence in the UK. Out of the estimated 500,000 lightweights on British roads, only a small proportion were believed to be domestically produced.¹³³

131. See Shilton, op cit, p.88, Chairman's Statement, contained in the 1960 BSA Annual Report, p.14, MSS 10A/4/38 and Balder interview, 18 November 1994.

132. See 'In the Summer of '59', by Peter Watson, Classic Bike, December 1986, pp.32-36.

133. Total motorised two wheeled production for 1959 was actually recorded as 248,900 units, however, 108,000 of these

In fact, it was estimated that British lightweight and scooter producers had a total annual manufacturing capacity of only 75,000 units and that the size of the average company was still small scale - a case of too many firms producing too few machines.¹³⁴ This hampered the competitiveness of the industry, as one industry executive noted, the "principal trouble with the British powered two-wheeled industry is that very largely it is composed of a number of small manufacturing units which tend to be at a disadvantage against the large Continental concerns."¹³⁵

Nor was the situation in export markets really much improved. In early 1959 Industries Association Director Hugh Palin prepared a confidential report that showed that Britain's share of world motor cycle sales had been steadily declining. From 60 per cent of all exports in 1935, the British proportion had dropped to 19.3 per cent in 1955 and reached 12.4 per cent in 1957. It was small comfort that Germany's share, 61 per cent in 1938, had been 34 per cent in 1955 but 23 per cent in 1957. The difference had been made up by the Italians and Czechoslovakia (34 and 20 per cent respectively in 1957).¹³⁶

Even if the 1959 season had been exceptionally good, the industry's higher sales were purchased at the price of even

were mopeds and scooters of mostly Italian origin built under licence in Britain. A further 13,500 were three wheeled machines. See Business Monitor, Production Series, Motor Cycles, Three-Wheeled Vehicles, Pedal Cycles and Parts, (1968). See also 'Half a million extra customers', Motor Cycle and Cycle Trader, 13 March 1959, p.385.

134. The estimate of lightweight and scooter output was made by Ronald Price, a senior executive with Villiers Engineering, the company which supplied power units to most of the smaller British motor cycle and scooter firms. See 'How the British Motor Scooter Industry is Expanding', by Ronald Price, Motor Cycle and Cycle Trader, 11 March 1960, pp.344-346.

135. Ibid.

136. See memo '4/59 - Director's Personal Report' dated 5 January 1959, contained in Guardbook MRC MSS 204/3/1/89.

greater public hostility, a fact that was reflected by press coverage of young British motor cyclists.¹³⁷ During that summer, one reporter visited a transport cafe which was frequented by motor cyclists, curious to discover the character of these dare-devils who so enjoyed racing on British roads. He interviewed one motor cyclist who commented on the public opprobrium directed at him and his colleagues:

Lets face it. We are regarded as Teddy Boys on wheels. If we hang around street corners we get into trouble. So we buy a pair of wheels to get away from it. But still we are in trouble because we are motor cyclists. You can't please some people.¹³⁸

Later on, another reporter visited the 'Busy Bee' cafe in North London and met a group of youthful motor cyclists who complained about their low public standing:

People in cars, even old Blokes on motor bikes, shake their fists at us as we go past. The police try to pull us in for the smallest things. I don't know what they're trying to prove when they do that, but their attitude doesn't help anybody. When people see a teenager on a motor bike, they think he must be mad. They'll believe anything about us, so long as its bad enough.¹³⁹

137. Referring to the high accident rate, one newspaper put it: "It is a horrifying record. If this is the price we pay for a long, fine summer - and the boom in a drive-yourself community - we wonder if its worth it." [Emphasis in the original]. See 'SOS', The Sketch, 10 November 1959, contained in newspaper clipping book MRC MSS 204/10/1/3.

138. See 'I spend a night with the 'Wild Ones' of Britain', Reynolds News, 16 August 1959, contained in the BSA Collection, MS 321/F, file entitled 'Anti-motor cycling comments', Birmingham Central Reference Library, Local History Archive.

139. See 'The Night Riders', by Martin Page, The Guardian, 11 March 1961. See also 'Dicing with Death' by Keith Waterhouse and John Edwards, contained in the Daily Mirror 'Shock Issue' of 9 February 1961. Both articles are contained in the BSA Collection, MS 321/F, Birmingham Central Library. The Daily Mirror article was especially galling to the manufacturers. Hugh Palin was irritated sufficiently to make a reply to it in the trade. See 'Creating favourable publicity for motor cyclists', by H. Palin, Motor Cycle and Cycle Trader, 7 April 1961, pp.8-9.

Such stories were hardly unique. It and the others always stressed the extreme danger of operating high-powered motor cycles on public highways.¹⁴⁰ In fact, the Ministry of Transport, convinced that publicity used by motor cycle companies which focused on its racing successes, was a contributing factor in the higher accident rates, actually asked that they be toned down in the interests of road safety.¹⁴¹

The press coverage may have been grotesque exaggeration of what was really happening on Britain's roads, but it obviously tapped into public concern about the behaviour of at least some motor cyclists and was thus the cause of great anxiety by the manufacturers. The negative state of public opinion was symbolised in an incident that Palin unhappily recounted to manufacturers during a Council meeting in 1959. Palin was "appalled" to hear that a North London magistrate had "severely criticised" a school master for running a motor cycling class on the school playing field during his spare time for the benefit of his pupils. The magistrate had gone on to denounce this activity as "a most undesirable practice" which he insisted should cease forthwith.¹⁴² By 1960 Palin was virtually in a state of despair about such press coverage. In a confidential memo to manufacturers he conceded that there had been "much adverse

140. See, for example, 'A grim new spectre stalks into the road casualty returns: Death on two wheels', The Sketch, 10 November 1959, 'Crash ... Crash ... Crash went motor cyclists. Nightmare night on A20', Chronicle, 19 November 1959 and 'Pillion girls hit 100 along murder mile', News Chronicle, November [no day indicated] 1959, all contained in clippings volume MRC MSS 204/10/1/3.

141. See memo entitled 'Motor cycle competitions and the FIM 'sports' motor cycle', dated 17 September 1957, contained in Guardbook MRC MSS 204/3/1/86.

142. See memo dated 24 September 1959, entitled '380/59: Director's Personal Report', contained in Guardbook MRC MSS 204/3/1/91.

publicity [against motor cycles] and frankly [we] have not been too successful in countering it."¹⁴³

This detrimental coverage manifested itself in the changed public attitude of politicians to the industry. Since early in the inter-war period virtually every one of the Union's annual motor cycle shows had been opened by a senior representative of the Government. As late as 1953, for example, a prominent member of the Cabinet, Foreign Secretary Anthony Eden, was present for the ceremony and gave a speech of welcome. Not only was he fulsome in his praises of the industry's accomplishments, he even confided that he had once been an enthusiast himself, having owned a Douglas motor cycle for a time in his younger days.¹⁴⁴ Increasingly, the tone of the opening speeches given by visiting dignitaries had become distinctly cooler, with fewer words of praise. For example, when Minister of Transport Ernest Marples opened the 1960 Show, his speech was not well received by the audience. He had followed, one trade journal reported, what was "becoming the standard formula for elderly official persons addressing riders of two-wheeled vehicles - in other words he began to preach."¹⁴⁵

In 1959, when the Industry Association sought a senior Government representative to open their new headquarters building in Coventry, they encountered an open reluctance on the part of senior politicians to be associated with the industry.¹⁴⁶

143. See memo entitled '253/60: Director's Confidential Report', dated 13 May 1960, contained in Guardbook MRC MSS 204/3/1/93.

144. See 'Anthony Eden opens the 1953 Show', 21 November 1953, p.155. Motor Cycle and Cycle Trader.

145. See 'All this at Earls Court', op cit, 18 November 1960, p.141.

146. In 1956, Palin had conceded to the Council that the industry did not have much support amongst MPs. See memo

Although the comparatively junior Minister of State for the Board of Trade, John Rodgers MP, did agree to attend the dedication of the building, privately the manufacturers were keenly disappointed that someone more prominent could not have been present instead. Their disappointment was compounded when, during his speech, Rodgers criticised the industry for their declining exports.¹⁴⁷ In future, the Shows would be opened more often by racing personalities than by those who frequented the corridors of power in Whitehall.¹⁴⁸

Most important, there was no indication that the leading executives had really learnt anything at all about changing tastes among consumers either at home or abroad. The views of Edward Turner, now arguably the single most influential person in the entire industry, on the continuing primacy of large displacement models in the manufacturers' production programmes, despite the major shift in consumer demand since 1951, is a case in point. Speaking at a banquet laid on for Triumph's overseas distributors in late 1958, Turner reflected on his firm's accomplishments over the past year:

entitled '173/56: Director's Personal Report', dated 26 April 1956, contained in Guardbook MRC MSS 204/3/1/83.

147. Palin noted that he had agreed to invite Rodgers only after two more senior Ministers turned him down. See Minutes of the Council for 24 March 1959, contained in Guardbook MRC MSS 204/3/1/90. Rodgers' remarks at the opening were reported in 'New IA headquarters at Coventry opened by J.C. Rodgers, MP'. 29 April 1959, pp.36-37, Motor Cycle and Cycle Trader.

148. In 1962, the Industries Association approached Prime Minister MacMillan and Princess Margaret to see whether either of them would do the honours at that year's show. After they had been rebuffed, Palin advised Association members that, in his opinion, "we need to find a public figure who whilst not being a politician would appeal to the crowds, without in any sense lowering the dignity of the occasion." See memo entitled "229/62 - Director's Report", dated 9 July 1962, contained in Guardbook MRC MSS 204/3/1/99.

Triumph was making more sports motor cycles than ever before and last year was the best year in the history of the company. Deep in our hearts of hearts we are interested in highly developed sport motor cycles that give so much pleasure to young men all over the world.

Turner concluded with the assurance that, "Triumph knew the man and the market and would go on pleasing him."¹⁴⁹

There seemed no doubt in the minds of those in the top echelons on the industry that they had continued to read their market correctly and that their policies were essentially sound. Not everything, however, was quite as rosy as some may have wished. One trade journal noted how the Show was more and more dominated by foreign machines. In 1953, for example, 33 of 35 motor cycles, 2 of 3 scooters and 6 of 13 cyclemotors (or 80 per cent of the total) were British built. By 1960, however, only 17 of 32 motor cycles, 11 of 25 scooters and 4 of 25 mopeds (or 39 per cent) came from British factories.¹⁵⁰ While superficially the position of the industry may have seemed secure, in reality it was resting on a shaky foundation.

This foundation would soon come under far heavier pressure than ever before. During mid-1960 trade discussions had commenced with the Japanese government, which some in the industry suspected might result in liberalisation of imports into Britain. Two years earlier, responding to rumours of a new treaty, Industries Association Director Palin had informed the British government "in no uncertain terms that the Industry would be violently opposed to the unrestricted entry of Japanese products into the UK market." However, the manufacturers were resigned to

149. Turner's remarks were reported in 'Triumph export dinner', op cit, 22 November 1958, p.162.

150. See 'Motor Cycle Matters' by Francis Jones, Motor Cycle and Cycle Trader 4 January 1958, p.186 and 'As modern as the moment' by Francis Jones, op cit, 18 November 1960, pp.153-156.

the fact they would have to deal with the possibilities of at least quotas being set for Japanese imports.¹⁵¹ As will be seen, beyond this protest, no other action seems to have been taken. Nor were they appreciably alarmed by the report of a lightweight Honda 'Dream' motor cycle, the first time a Japanese model had appeared in a European motor cycle show. It was a model they would all soon become quite used to seeing in showrooms across Britain.¹⁵²

151. See memo '323/60: Confidential Report', dated 28 June 1960, contained in Guardbook MRC MSS 204/3/1/94.

152. See 'Confidential Report on the 41st Amsterdam Cycle and Motor Cycle Show, 26 February-8 March 1959', prepared by Hugh Palin, no date but probably March/April 1959. Contained in Industry Association Guardbook, MRC MSS 204/3/1/90.

Chapter 6.

'The Final Phase, 1961-1975'.

The optimism with which the industry began 1960 was quickly dissipated. The following year the manufacturers were deep into its worst ever sales recession since 1945. This situation was seriously worsened when, at the end of 1962, a treaty was signed between Britain and Japan which threw open the home market to foreign competition of unprecedented intensity. Several years later, most remaining British motor cycle manufacturers were either out of business or in serious trouble. In 1971, the BSA/Triumph combine remained unsteadily on its feet, in the company of a newer firm, Norton-Villiers, representing the rump of the old AMC concern. However, instead of trying to consolidate its tenuous position in the home and export markets, BSA launched a risky counter-attack to regain market share, especially in the lightweight category. The programme was both badly misjudged and executed, resulting in the eventual collapse of the industry.

Although sales and registrations of motorised two-wheelers had been growing, albeit gradually, throughout the 1950s, by 1961 there was a sharp downturn. Total registrations, which had gone from 1,519,935 in 1958, 1,733,342 in 1959 peaked at 1,795,555 in 1960. The following year they slipped back to 1,790,200, a decline which represented the first stage of a long run trend that would persist for the next decade. By 1975 registrations had dropped to 1,282,576 and sales had dropped to 50 per cent of their 1959 level. Most disturbing was the sluggish Home market demand for models of 500cc and

over displacement. Between 1956 and 1960, registrations in this class had climbed from 46,271 to 67,089 per year, only to drop to 66,700 the following year. In contrast, sales of lightweight machines in the 150cc and under category had been continually improving. While there had been 567,956 of these registered in 1956, by 1961 there were some 986,000 of the smaller machines on the road. This was another trend which would persist for years to come [see Appendix 1, Tables XXIII and XXIV].

These figures deeply troubled industry leaders, who blamed the sales recession on increased hire/purchase restrictions that had been introduced in the 1960 Budget. These had been followed by large increases in insurance premiums, some up to 30 per cent. The situation was worsened early in 1961, when the Budget increased the rate of Purchase Tax. Such measures did little to encourage motor cycle sales although they did not seem to have had the same affect on sales of motor cars.¹

The recession inevitably effected employment levels. Alarmed by redundancies at the nearby Triumph factory, Coventry Labour MP Maurice Edelman demanded the Government help the industry. In response, Keith Joseph, Minister of State for the Board of Trade, expressed his sympathy for the plight of motor cycle manufacturers but cautioned that "the outcome would depend primarily on the industry."² On 1 December, thanks to Edelman, Parliament experienced a rare if

1. See 'Gloom among the motor cycles', Financial Times, 30 August 1961, contained in TUC clipping file 12913 and 'Motor cycles and 'Unhappy prospects', The Economist, 25 November 1961, p.834.

2. See 'Triumph workers to be dismissed early next month', Coventry Standard, 1 December 1961, p.1, contained in MRC MSS 123X/10/1/3.

only brief exchange on the state of the British motor cycle industry.³

Edelman noted that the 18.5 per cent drop in production and sales from 1960 meant that the manufacturers had been forced to cut back on their labour force. While it was true that the credit restrictions were dampening demand, Edelman believed that the industry's biggest problems were those of its own making. It was a case, he said, of "too many producers and far, far too many models." Take, for example, industry leaders BSA and Triumph, who, despite common ownership, each carried a completely separate model line, albeit with a number of similarities; twelve for BSA, ranging between 123cc to 650cc and ten for Triumph, ranging from 199cc to 650cc.⁴ Moreover, because of its stubborn dedication towards traditional heavyweight motor cycles, the industry "had produced its own nemesis." They might be "attractive to young men who want to show their capacity for speed," but were now "become dead weight in the stock of most of the leading companies."⁵ The motor cycle had, Edelman said, "come to be regarded as a sort of lethal weapon, and, indeed, it can be so, because the emphasis on high speeds, the fact that these vehicles can be put into the hands of the very young who have not the temperament to control them properly." The manufacturers must, he concluded, "bear some blame for neglecting the social implications of their products."⁶

3. See Hansard, [vol 650], 1 December 1961, cols 890-900.

4. Ibid, cols 891-892.

5. Ibid, col 893.

6. Ibid plus cols 895-898 and 900.

The business press also saw room for improvement. One reporter remarked that the 1961 recession demonstrated how the industry had "been brought to its knees by a combination of social and economic factors." He noted that the "constant criticism of the British industry has been that it lives too much in the past in matters of design and building what today's customer wants." Nor was the poor image that motor cycles and motor cycling had with the general public doing much to help. The reporter noted that "most people associate them [motor cycles] with accidents, youthful irresponsibility and the esoteric games of 'coffee bar cowboys.'" ⁷

Another business journal, examining the state of the industry shortly afterwards, stressed that the industry's poor sales was a reflection of its inability to react effectively to changing consumer tastes - witness its tardy entry into the scooter market during the 1950s. The industry was still incapable of producing a truly competitive popular lightweight model. BSA, for example, had dawdled over introducing the 70cc 'Dandy', which in any case "proved largely abortive." Furthermore, the industry's manufacturing plant had been allowed to decay. It was out of date and "too much craft-based and too little acquainted with modern engineering." If it were to survive, the industry had to rethink its future strategy. ⁸

The combined criticism from Parliamentarians and the business press generated both interest and resentment from

7. See 'Motor cycles look for markets' by David Jenkins, The Statist, 16 February 1962, pp.516-517.

8. See 'Recession on two wheels', The Economist, 14 July 1962, pp.172-173.

within the industry. The Motor Cycle and Cycle Trader, for example, was receptive to Edelman's remarks and ran a leading article entitled 'The Motor Cycle Industry should put its house in order' only a few days later. In early January 1962 the journal was instrumental in creating a Motor Cycle Design Commission to try and address some of the failings identified by Edelman and others.⁹ While the trade press recognised the need for change, the same could not be said of the manufacturers. During a press conference in early 1962 arranged to launch the new line of 500cc and 650cc 'Star' twin cylinder models, BSA Sales Director Bill Rawson took the opportunity to lash out at the industry's critics.

These detractors, he argued, had misunderstood the industry's many accomplishments, most particularly the fact that its output had vastly increased since the 1930s and it was a particularly successful exporter, especially to the USA. As for why fewer motor cycles were sold in the home market, Rawson pointed a finger of blame at the industry's favourite villains. Credit restrictions, high Purchase Tax, "outrageously high insurance premiums", and the continued bad publicity caused by an "overemphasis on motor cycle accidents in the daily press" were the main causes for the poor sales.¹⁰

9. The leading article is contained in the Motor Cycle and Cycle Trader, 15 December 1961, pp.143-144. The Design Commission was announced in an article entitled 'Comment', Ibid, 12 January 1962, pp.192-193. A letter to the editor from Maurice Edelman was published on page 281 of the 21 February 1962 issue of ibid, which urged that the Commission also include consumers and worker representatives. Thereafter, no further mention of the Commission was published, either in the trade press or in the surviving archives of the Industries Association, leading one to suspect it had become defunct very quickly.

10. See 'Slamming the Critics', The Motor Cycle, 11 January 1962. Rawson was particularly incensed over sensationalist

Despite the angry public defiance, in private many in the industry acknowledged that there were problems and they were not going to be easy to resolve. In late 1961 a meeting of the Industry Association's Publicity Committee was held to consider the 20 per cent drop in the sales of motor cycles and scooters. During the course of the proceedings, Industry Association Director Hugh Palin noted that "most people seemed to be of the opinion that the main cause of the present recession was public antipathy to motor cycling." Committee members pin-pointed "parental objection" as a major and persistent deterrent to sales to younger consumers.¹¹ This was a theme that Palin subsequently expanded upon in a memo, which analysed why the British public had turned so decidedly against motor cycles and motor cyclists. He insisted that opinion had been "distorted by adverse, sometimes hostile publicity." Yet, he admitted, this was aggravated by "an implication lurking in the public mind that manufacturers are irresponsible in placing high-powered machines in the hands of young boys untrained to manage them." It was up to the industry itself to correct this impression, a job which could take a long time to achieve.¹²

press coverage of motor cyclists: "The motor cyclist appears to be fair game for everyone."

11. See minutes of the Publicity Committee held on 19 December 1961, contained in Guardbook MRC MSS 204/3/1/98.

12. See memo entitled '27/62: Motor Cycle and Scooter Publicity' by Hugh Palin, dated 9 January 1962, attached to the minutes of the Motor Cycle Publicity Committee of the same date, contained in Guardbook MRC MSS 204/3/1/93. In 1966 an unnamed sales director was quoted bemoaning the fact that "people got the impression our job was selling lethal projectiles to morons." See 'After ton-up kids, a labour shortage', The Guardian, 15 February 1966, contained in TUC clipping file 12913, on deposit at the MRC

Material improvements in British society created their own problems for motor cycle manufacturers. There were some, such as BSA's motor cycle chief Edward Turner, who still thought the industry could increase sales by presenting itself as an alternative to public transport. During a speech at the 1962 Earls Court Show, he stressed how regular motor cycle commuting was far better than catching "winter colds in germ-laden trains and buses."¹³ Others, however, saw matters differently. In July 1962, at a meeting of the Joint Advisory Committee, made up of representatives of both manufacturers and retailers, another lengthy discussion was held to consider the causes of declining sales. Committee members focused far more on changes in British society than on levels of Purchase Tax and credit restrictions. For them, the main problem was the fact that contemporary Britain had become "an affluent society", with the consequence that "a large section of the public who, but for this, would otherwise be potential customers, can now afford and in fact are buying cars."¹⁴

No doubt the safety issue was a major factor in the lower motor cycle sales. Yet there was a continuing paradox among the overall figures which puzzled motor cycle makers. True,

13. Turner, who was President of the Industries Association that year, was speaking at the Show on 8 November 1962. The text of his speech is contained in MRC MSS 204/3/T41.

14. The Committee also recognised that many traditional customers were now marrying and starting families earlier than before, "which again struck a blow at our market" since "the younger element of the public formed a substantial proportion" of sales. See minutes of the meeting of the Joint Advisory Committee, held on 3 July 1962. The minutes are held in the offices of the Motor Cycle Retailers' Association. The Economist observed that higher personal income among the British population now tempted "potential [motor cycle] buyers to get a car instead - which bring more comfort as well as, perhaps, higher social esteem." See 'Recession on two wheels', op cit.

sales of all motorised two wheelers were declining, but those of smaller displacement motor cycles still sold well. One business journal noted that teenagers and twenty year olds had been "reluctant to spend upwards of £250 on a 500 to 650cc motor cycle" and had "turned instead to a lower powered and cheaper product."¹⁵ This was not always an economic decision. The Road Traffic (Driving of Motor Cycles) Act 1960, which had been passed in reaction to the high accident rates of younger riders, restricted all prospective motor cyclists to machines of no more than 250cc engine displacement while they were in their probationary period. This may have promoted safety but did little to help sales of the larger displacement motor cycles.¹⁶

In fact, to the manufacturers, the biggest threat to motor cycle ownership, one that was very difficult for them to counter, remained four wheeled competition [see Appendix 1, Tables XVIII and XX]. This too, one report noted, was the result of increasing living standards, as bigger "wage packets" combined with what was described as an "insidious status seeking." While advertising copywriters could "purr that you can 'get out of the ordinary' by getting into a particular make of car - no such claim can be made for the humble motor cycle."¹⁷ Hugh Palin admitted that "our main problem is that much of the public is antagonistic to the motor cycle" compounded by the fact that "everybody buys a car

15. See 'Gloom among the motor cycles', op cit.

16. See minutes of the Motor Cycle Manufacturers' Committee meeting of 19 January 1960, contained in Guardbook MRC MSS 204/3/1/95.

17. Ibid. See also 'Motor cycles look for markets' by David Jenkins, op cit.

if they can afford it." In contrast with the motor car industry, whose "only problem is to persuade the customer that his is the best buy" the motor cycle industry "first [has] to persuade people that [a motor cycle] is a good thing in itself."¹⁸

Family pressures on young, would-be motor cyclists was often critical. Hugh Palin remarked these were so intense that "many parents would rather buy their son a clapped-out second-hand car with no brakes than a motor cycle."¹⁹ Price was, moreover, a crucial factor. The average 500cc and larger motor cycle cost between £250 and £350, or about the same price as a second hand car. Add roughly another £50 per year insurance and the traditional heavy weight motor cycle was less and less competitive to all but the most dedicated enthusiasts.²⁰ In late 1965, one long term dealer decided he had enough of declining sales and closed his business down. His explanation was simple: "There's no point in going on any longer. Young people are no longer interested in motor cycling - not the way we were. Nowadays they would rather save up and buy a car."²¹

In light of these problems, what kind of measures did the industry undertake to try and improve its standing with

18. See 'The management skid in the two wheeled business', Business, May 1965, pp.22-32.

19. According to a poll conducted by the Birmingham Mail at about the same time, parental opposition was identified as the major obstacle to motor cycle sales to young people. See 'Motor cycle survey', Birmingham Mail, 11 December 1963, contained in newspaper clipping book MRC MSS 204/10/1/4.

20. See 'The Management skid in the two wheeled business', op cit.

21. See 'Tenterden trader must quit', Kent Messenger, 26 November 1965, contained in newspaper clipping book MRC MSS 204/10/1/6.

potential consumers? In 1962 the Industries Association decided to sponsor a publicity campaign design to improve its image. It funded a number of projects which were financed by a levy of 2s on each machine sold by members. These projects included a rider training programme at a number of schools across the country, the provision of motor cycles to the ACU/RAC training programme, the donation of spare equipment for the 'engines for schools' initiative and cooperation with the Ministry of Transport on research on motor cycle safety, along with the underwriting of a special research unit at Birmingham University. The Association even sponsored a 'National Essay Contest' for school children (a "surprising number of girls" had also participated) which was designed to stimulate an interest in motor cycling. The question posed in the 1967 contest, for instance, was 'Does motor cycle racing help to improve road safety?'²²

But it was precisely the issue of road safety which again prevented the industry from convincing civil servants and politicians to offer the kind of legislative relief that the industry so badly wanted. This was especially the case in its attempts to convince the Ministry of Transport to relax regulations affecting mopeds. In one instance, an importer

22. The levy was expected to raise approximately £10,000. See memo '445/63: The Motor Cycle and Scooter Publicity Campaign' dated December 1963, contained in Guardbook MRC MSS 204/3/1/102. A subsequent report, 'A memorandum on public relations' dated 4 July 1968 outlined the various programmes initiated by the Industries Association over the past several years and is contained in Guardbook MRC MSS 204/3/1/113. The information on the 'National Essay Contest' is drawn from the minutes of the Joint Motor Cycle and Scooter Publicity Committee meetings of 6 February 1963 and 22 January 1967, contained in Guardbooks MRC MSS 204/3/1/113 and MSS 204/3/1/110 respectively.

claimed that the "bulk of people who are potential buyers of mopeds will not buy them if there is any degree of paperwork attached", but this too failed to move Ministry officials.²³ As far as they were concerned, the existing regulations should continue to be applied in the public interest. The registration system was necessary for larger enforcement purposes and abolishing tax would "involve a considerable sacrifice in revenue."²⁴

The industry's central argument for a change in regulations, that their removal would stimulate demand of mopeds, was also poorly received by Ministry staff. Their conclusions, after reviewing a brief sent in by Hugh Palin, was that the "abolition of licences [for mopeds] would certainly involve a risk to someone or other. The question is really whether any additional risk to road safety is justified on what amounts to commercial grounds."²⁵ Transport Minister Ernest Marples was more diplomatic in a letter he wrote to P.T. Bolton, an importer of German mopeds. "I must face the fact," he stated, "that these ... [safety] statistics show that, for the same distance travelled, the risk of the moped rider being killed is eight times higher than the risk of the car driver and that

23. See letter, J.D. Richards (Solex Ltd) to D. O'Neill (Permanent Under-Secretary, Ministry of Transport), 27 July 1961, contained in PRO MT 92/63.

24. See minute dated 28 July 1961, prepared by C. North and letter, C.C. Nicholas (Board of Trade) to J.D. Richards, dated 18 December 1961, both contained in ibid. One estimate of the potential revenue loss should the tax be lifted on mopeds was thought to be approximately £450,000. See note prepared by J. Garlick (Road Safety Division, Ministry of Transport), contained in ibid.

25. See memo, P.A. Walker to Whipp, dated 4 January 1963, ibid.

the risk of the moped rider being seriously injured is nine times higher."²⁶

How did the various firms react to the downturn in the motor market and the deep seated shift in consumer demand? In his speech to the shareholders during late 1962, Chairman Eric Turner announced that, because of commercial difficulties, the Group Board had decided to shut down the Ariel factory at Selly Oak, Birmingham, and transfer production of its reasonably successful 250cc model to the main Small Heath factory, which was now underutilised. There were, Turner insisted, still some bright spots in this otherwise gloomy picture. A Triumph had just set another world speed record and the company had introduced a new lighter weight scooter, a 100cc machine called the 'Tina'.²⁷

In fact, the situation was actually much worse than Chairman Eric Turner was willing to inform the shareholders. He admitted as much in a letter written in September 1961 to former Board Deputy Chairman 'Paddy' Hannon, who had earlier asked permission to arrange for a tour of the Small Heath factory on behalf of a group of visiting Commonwealth Prime Ministers. Turner declined to provide an invitation, on the grounds that it would have been too embarrassing for the company to have drawn public attention to their obviously under-used facilities. Turner also offered the following explanation for the poor showing of BSA's Motor Cycle Division:

26. See letter, Marples to Bolton, dated 17 December 1962, contained in *ibid*.

27. See Chairman's speech to the Annual General Meeting, held on 13 December 1962, contained in MRC MSS 19A/4/40.

The hard facts are that the organisation has not had a sufficiently vigorous development policy which would ensure that new products were constantly coming along to provide expansion or to take the place of products with falling demands.²⁸

The state of Ariel, a BSA subsidiary since 1944, is illustrative of the problems of the entire Group, as it had tried to respond to changed market conditions. The company had severely pared down its line-up of models in the late 1950s. Gone were the traditional large capacity single cylinder models, along with the venerable 1000cc 'Square Four', replaced by a new 250cc model, the 'Leader'. Launched in 1959, the machine was planned as a means of stemming foreign incursions in the lightweight market. Sharing many stylistic features with the scooter, particularly bodywork which provided some weather protection to the rider, it was priced at £209 11s 7d, which was not extravagant but was still more than the £174 19s 6d for a Lambretta LI 150 or even the £228 5s 11d for a 350cc Triumph, an orthodox motor cycle.²⁹

Although innovative, sales of the 'Leader', like the Velocette LE, never approached expectations. The problem was that dyed-in-the-wool motor cyclists were apparently put off by its unusual design while scooterists preferred to stick to the genuine article. One assessment of the 'Leader' was that it was "a bold, often effective concept, indifferently styled, betrayed by inadequate lights, brakes and finish." Production was ended in 1965, with a total of only 17,000 units built.³⁰

28. See letter, Turner to Hannon, dated 10 September 1962, contained in Box 35, Folder 1, Hannon Collection.

29. See Peter Hartley, The Ariel Story, Watford: Argus Books, 1980, p.199, p.209 and p.230 and Wilson, op cit, volume 6, pp.120-124. See also 'Buyers' Guide 1961', The Motor Cycle, 17 November 1960, pp.665-671.

30. See Wilson, ibid.

If BSA was faltering, the situation at the number two producer, AMC, was far worse. The company had been especially hard hit by the shift to lightweight models over the past decade and one manifestation of its declining fortunes were two shareholders' revolts. The first, which occurred in 1959, focused on the failure of the AMC Board to anticipate the surge in demand during the 1959 boom season. In late 1958 the company had predicted a slow year and had reduced production, with the result that it had insufficient machines ready to meet the much higher demand that spring and summer. The 'rebels' were able to force a postponement of the 1960 Annual General Meeting, when the re-election of two directors, which was expected to be routine, was opposed from the floor.³¹

The following year, a far more dangerous threat developed for the Board, precipitated by the two-stroke engine fiasco and reports of losses at the Indian Sales Corporation, AMC's American distributor. A Shareholders' Committee had been formed which sought to remove Managing Director Heather along with two other directors, Alan Sugar and J.F. Kelleher, and replace them with nominees of the Committee.³² An Extraordinary General Meeting was forced by the Committee in August 1961 and although the rebel shareholders' motions were

31. See 'Letter to the Shareholders' written by Managing Director Donald Heather in response to a circular sent out by a group of disgruntled shareholders, dated 10 September 1959. Heather sent out a second letter entitled 'Adjourned Annual General Meeting', dated 10 March 1960 outlining the circumstances for the postponed meeting. Both letters are attached to the 1960 Annual General Meeting, on deposit at the Guildhall Library.

32. The nominees were Cyril Bird, William Gardiner and Oliver Smedley, MC.

defeated, Heather's position was greatly weakened and he retired within months.³³

Notwithstanding the defeat of the Shareholders' Committee, the condition of the company remained poor. Between 1954 and 1961, AMC's average share price had sharply declined from 29/- to 5/- and profits had slipped from £541,461 to £234,772. Two of the most effective managers, Bert Hopwood and J.M. West, had resigned in April and August 1961 respectively, and left for different firms. Although the new chairman, T.C. Cowell, had a financial background, he too seemed baffled at finding a solution to the company's troubles.³⁴

During his speech to the 1962 Annual General Meeting, Cowell had further bad news for shareholders. Thanks to continuing weak sales, the main Woolwich factory had suffered a 20 per cent drop in turnover and lost £27,000. Moreover, plans to relocate production in a new facility on the nearby Isle of Sheppey had been dropped because of labour shortages. Despite the stronger demand for lightweight motor cycles, the Francis-Barnett and James subsidiaries, which manufactured a line of models in the 98cc to 250cc range, including a scooter,

33. A circular entitled 'Associated Motor Cycles Shareholders' Committee', dated 17 May 1961, which described the grievances of the rebels, is reproduced in Hopwood, op cit, p.167. J.M. West, who was on the Board at the time, questioned the motives of the leaders of the Committee, terming them "asset strippers", see West interview, November 23, 1994. For press coverage of the AGM, see 'AMC Board unchanged by Stormy AGM', Motor Cycle and Cycle Trader, 11 August 1961, p.257, see also The Times, untitled story, 1 August 1961, p.15.

34. See Hopwood, op cit and AMC Directors' Report for the year ended 31 August 1954 and 31 August 1961, on deposit at the Guildhall Library. Cowell, who joined the AMC board in 1958, had been Assistant General Manager at Barclays Bank and was also a director of N. Burston & Co., merchant bankers. See Motor Cycle and Cycle Trader, 24, May 1958, p.106.

continued to do badly. The AMC-built two-stroke engine had been scrapped and the company had been forced to return to Villiers for the power units for the lightweights models. Finally, Cowell had to admit that the Indian Sales Corporation, in which AMC had invested £250,000, had turned in a £113,000 loss.³⁵

Cowell identified AMC's main weakness as its overdependence on motor cycle manufacturing, which constituted 90 per cent of its activities. When sales went into steep decline, the company had suffered disproportionately. It had also suffered from its rapid expansion between 1947 and 1953, when it grew from its single factory to become four separate manufacturing units.³⁶ In order to offset losses, the Coventry based Francis-Barnett factory (along with its subsidiary Clarendon Pressing and Welding Company) were closed down and operations moved to the James factory at Greet, Birmingham. Yet, several months later, newly appointed Chairman Sir Norman Hulbert was forced to report a loss of £350,000, which he attributed to a "steadily diminishing demand" for the AMC Group's motor cycles. In consequence, the Board decided that it needed no

35. See Chairman's Speech to the 1961 AMC Annual General Meeting, 23 March 1962. On deposit at the Guildhall Library. See also 'Cycle Firm Diversifies', The Times, 31 August 1961, p.13 and 'AMC Sheerness plan dropped', Motor Cycle and Cycle Trader, 20 October 1961, p.32.

36. As Cowell explained: "The high rate of growth and profits during the expansion period of a sellers' market had the inherent penalty of vulnerability." After the motor cycle market suffered the 1956 recession, "the industry steadily became more competitive, of smaller volume and reverted to the pre-war pattern of extreme seasonal trading" leaving the AMC Group "ill-equipped both as to specialised facilities and labour" to respond. See Chairman's Speech to the Annual General Meeting, delivered on 23 March 1962, copy on deposit at the Guildhall Library.

more than two-thirds of its existing motor cycle manufacturing capacity and would shut down further factory and plant.³⁷

At the next Annual General Meeting, Hulbert reported a loss of £658,902, which he claimed was the result of the "continuous severe reduction of motor cycle and scooter demand." The Board decided to close the Norton factory in Birmingham and transfer operations to Woolwich. The Indian Sales Corporation was judged an irretrievable failure and had been shut down. The Board, however, still maintained hope for larger sales in the USA and had made arrangements for distribution there through the Berliner Motor Corporation. Finally, for the second year in succession, no dividends were paid out. The future looked bleak for this major motor cycle producer.³⁸

Nor were the other smaller firms in much better condition than the two larger companies. On the surface at least, Royal Enfield had managed reasonably well over the past years, so well in fact that BSA had considered purchasing it in 1957.³⁹ It had been helped along by its non-motor cycle activities including the manufacture of diesel engines and military contracts and maintained its stake in the Madras, India,

37. See 'Statement' by AMC Chairman Hulbert, dated 5 June 1962, on deposit at the Guildhall Library.

38. See Chairman's Speech to the Annual General Meeting, 4 April 1963, on deposit at the Guildhall Library. See also 'AMC Group's Big Loss', 26 January 1962, 'AMC Re-organisation', 20 April 1962 and 'Norton Motors to be moved to Woolwich' 27 July 1962, all in the Motor Cycle and Cycle Trader.

39. BSA was particularly interested in its US distribution network, which Edward Turner thought would be a "very useful acquisition." See Board meeting of 31 October 1957, agenda item 11105, contained in Minute Book No. 17, contained in MSS 19C/20. Negotiations between the two companies proved inconclusive.

plant, which manufactured motor cycles under license, including a scooter, the 'Fantabulus'. However, it had been hurt badly by fluctuating credit restrictions and recurrent labour shortages at its Redditch factory, compounded by the overall shrinking of the motor cycle market. In November 1962 it was purchased by E.& H.P. Smith Ltd., a holding company which owned a number of engineering enterprises. After the buy-out, the Enfield model line-up, which had ranged from 148cc to 736cc machines, was reduced to solely the latter models, many of which were exported to North America. The company was out of business by 1970.⁴⁰

Douglas, which after 1957 had dropped production of orthodox motor cycles, concentrated on its licensing agreement with Vespa, but found itself in trouble as scooter sales flagged in the early 1960s. In 1965 it ceased scooter manufacture as well. Production lingered on at Panther (Phelon & Moore Ltd) whose small factory in West Yorkshire continued to produce modest numbers of large capacity single cylinder machines. These were frequently used in conjunction with side-cars, numbers of which were steadily shrinking on British roads. However, the company did manufacture a small displacement model, using a bought-in Villiers power unit, and, after 1957, began to import a French-built scooter, which was sold as the Panther 'Scooterrot'. Neither were very successful. Undeterred by this experience, the company, in partnership with two lightweight manufacturers, Sun and Dayton, developed

40. See Peter Hartley, The Story of Royal Enfield, pp.110 and 121. See also the Chairman's speech to the Annual General Meeting, 30 January 1961 and notice to shareholders, entitled 'Merger with E.& H.P. Smith' dated 1 November 1962, both on deposit at the Guildhall library.

its own scooter. Using a Villiers power unit, the Panther 'Princess' was also a failure, not the least because of what were described as "costly and delaying teething troubles." The 1961 recession crippled the company and the following year a receiver was brought in. Although production continued, it rarely exceeded 1,000 of the big single cylinder models each year. By 1968, the firm was defunct.⁴¹

The Veloce (Velocette) company also tried to make a tardy entrance into the scooter market. Although it continued to build the LE, first introduced in 1948, it remained loyal at heart to the traditional single cylinder models which were frequently used by sporting enthusiasts. However, production of the larger models had averaged little more than 3,000 machines per year during the late 1950s. In 1961, Velocette launched the 'Viceroy' scooter, a well engineered machine but too heavy and expensive when compared to a Vespa. Nor did the fact that it appeared just as the scooter boom was ending help sales. Although 5,000 units were scheduled for 1962, only 644 were actually built, of which a mere 130 were sold.⁴²

As the market for the traditional orthodox motor cycles that Velocette specialised in making kept on declining, the company tried to diversify its operations. The LE motor unit, for example, was adapted to other purposes, for use on ice-cream vans and hover-craft. Production of motor cycles, including

41. See Wilson, British Motor Cycles, volume 4, pp.19-20.

42. See ibid, vol.6, pp.207-208. One explanation for the Viceroy's poor sales may have been its high specifications, which included its 250cc engine, with power transmission provided by a shaftdrive, an unusual feature on a British machine, along with its price of £198. See untitled feature on the Viceroy, Motor Cycle and Cycle Trader, 21 October 1960, p.37 and 'Veloce increases prices', ibid, 21 September 1952, p.295.

the LE and the larger displacement single cylinder machines, continued but did not exceed 1,500 units per year. Finally, in mid-1970 the company announced it would go into voluntary liquidation. The last motor cycles were produced in early 1971.⁴³

A dwindling group of smaller firms, with outputs of perhaps a couple of thousand of units each at the very most, had managed to survive on the periphery of the industry. Reliant on proprietary engine units and catering to more specialised segments of the market, their condition began to deteriorate badly during the early 1960s. Companies such as Cotton, DMW, Excelsior and Norman, which largely manufactured lightweight models with two-stroke engines and scooter makers like Ambassador, Dayton, DKR and Bond, suffered from much the same weaknesses. Low volume production and lack of product development facilities meant that prices or design could never really be competitive with the imports. Virtually all these firms were out of business by 1965.⁴⁴

Nor did Raleigh, the bicycle manufacturer which branched out into moped manufacture during the late 1950s, have any lasting success. Its RMI model, introduced in 1958, was evidently "developed in too much of a hurry" and was dropped in 1960, to be replaced with an imported French moped and an Italian scooter, the 'Roma'.⁴⁵ Subsequently, it would again try to

43. See Wilson op cit. See also 'Velocette to phase out motor cycles', Financial Times, 25 June 1970 and a photo story of the final machine (an LE) produced, Birmingham Post, 3 February 1971, both in clipping book MRC MSS 204/10/1/7.

44. For an overview of these companies, see Roy Bacon's Villiers Singles and Twins, The Postwar British Two-Stroke Lightweight Motor Cycle and British Motor Cycles of the 1960s.

45. See 'The problem for the motor cycle makers how to lose an image and win a world market' by John Mills, The Director,

break into the moped market with the 'Wisp', which was introduced with much publicity in 1967. Although it enjoyed initially good sales, especially among women, it was ultimately withdrawn from production only two years later. While Raleigh management blamed its failure on a general decline in the moped market, the Austrian Puch company continued to profitably sell its models on the British market.⁴⁶

While the industry stagnated, another danger was emerging which had nothing to do with civil servants, politicians or even motor cars. It took some time before British motor cycle producers became aware of developments in Japan, although one British enthusiasts' journal had reviewed a Japanese motor cycle as early as 1946.⁴⁷ Although there was no significant Japanese motor cycle industry before 1945, a number of small firms started up after the war to supply the public demand for cheap, lightweight personal motor transport. The industry was fragmented into a number of small firms, more than 200 in

September 1967, pp.331 and 'Boom in mopeds and scooters', Financial Times, 25 February 1960, the latter contained in TUC clipping file 12913, on deposit at the MRC. See also 'New Raleigh Scooter', The Times, 4 November 1960, 'Scooter Prospects in 1960' 15 January 1960, p.201 and 'Get into Moped market now', 27 July 1962 pp.192-193. both from Motor Cycle and Cycle Trader.

46. See 'Raleigh taps new market with 'Wisp'', Financial Times, 5 June 1967, contained in newspaper clipping book MRC MSS 204/10/1/6 and 'Raleigh drops out of moped market', The Times, 12 September 1969 and 'Sales fall forces Raleigh to stop producing mopeds', Financial Times, [no date, but probably September 1969] both contained in newspaper clipping book MRC MSS 204/10/1/7. See also 'Now Austrian firm is dominant force in moped market as Britain moves out' by Jack Hay, Birmingham Post, 17 November 1969, contained in newspaper clipping book MRC MSS 204/10/1/8.

47. The article featured a Japanese lightweight model which struck an observer as a copy of a current British model. See 'A Japanese two stroke', The Motor Cycle, 11 April 1946, p.276.

1950, although reduced by intense competition, so that only 30 remained in business by 1960. By 1969 only four, Honda, Suzuki, Kawasaki and Yamaha, had survived.⁴⁸

Soichiro Honda, founder of Honda Motor, the firm which would come to be the dominant Japanese producer, had no background in motor cycle manufacturing. The company's first post-war products were bicycles fitted with small surplus auxiliary engines. In 1949 Honda introduced the 98cc 'Dream' and progress afterwards was rapid, although the company did not produce any model with an engine capacity greater than 250cc until 1955.⁴⁹

Although Honda, a former automobile racer, was fascinated with motor sports, because of the state of the Japanese economy, the company focused production on a limited range of lightweight models (for many years their largest machine was 305cc) used for utilitarian purposes. In 1958, Honda introduced the 50cc 'Supercub', which came standard with such advanced features as an automatic clutch not found on any British motor cycle. Although a motor cycle, this model had a 'step-through' design which made it look more like a motorised bicycle. The 'Supercub' was hugely successful, at home and abroad, helping Honda to become Japan's leading motor

48. See 'Appendix 11 - A brief description of the production system of the Japanese motor cycle industry', Boston Consulting Group, op cit, pp.213-224 and Smith, pp.19-20 and pp.22-23.

49. See Richard T. Pascale, 'Perspectives on Strategy: The Real Story behind Honda's Success', op cit, p.52, Tetsuo Sakiya, Honda Motor: The Men, The Management, The Machines, Tokyo: Kodansha International Ltd., 1987, p.62, Roy Bacon, Honda - The Early Classic Motor Cycles, London: Osprey Publishing Ltd., 1985, pp.100-23 and 'Soichiro' Ladder - Twenty-Five Years of Technical Progress' by Kevin Cameron, Cycle, September 1985, pp.60-80.

cycle manufacturer. Out of the 285,000 machines built by Honda during 1959, 168,000 were 'Supercubs'.⁵⁰

This progress did not go unnoticed in Britain. As early as 1952, columnist Francis Jones warned of the threat posed by the rapidly developing Japanese motor cycle industry. Jones approved of the manufacturing strategy that was being followed by Japanese firms. In contrast to the British, they had avoided production of the "high performance motor cycle" in favour of lightweight models, a policy which he labelled "sound business." Yet Jones was exceptional in his views. Many others were dismissive of Japanese competition. At around the same time, Bill Johnson, Triumph's distributor in California, acknowledged that, while some Japanese motor cycles had already appeared in American showrooms, they should not be taken "too seriously." His views were mirrored in Britain as well. Indeed, in contrast to their intense curiosity about Germany during the 1950s, the Industries' Association did not commission a single report about the state of the Japanese industry.⁵¹

Because home demand was so strong, the Japanese presence overseas built up gradually. During 1958, the Japanese were already capable of producing 400,000 mostly lightweight motor cycles per year and in 1960 Honda built a new factory with a capacity of 30,000 units per month.⁵² That same year, the

50. See Pascale, op cit, p.53. By 1983, Honda announced that it had built a total of 15 million 'Supercubs'. See Bacon, op cit, p.25.

51. See 'The case for lightweights' by Francis Jones, Motor Cycle and Cycle Export Trader, December 1952, pp.237-42. Bill Johnson's comments are from 'Johnson Motors of California', ibid, May 1953, pp.90-93.

52. See Pascale, op cit, p.51.

Japanese created the foundation for their subsequent dominance abroad. Having "developed huge production volumes in small motor cycles in their domestic market," the resulting economies of scale led to cost reductions which put them in a highly advantageous position, one which they would soon exploit to the full.⁵³

In 1957 columnist Francis Jones, writing in a trade journal, had become concerned enough by developments to issue another warning to British manufacturers. Not only were Japanese motor cycle companies well established they were now "even beginning to show originality, and the products are no longer copies of European models." Furthermore, it was time to discard outmoded cultural stereotypes: "British makers can no longer treat Japanese competition as a joke, in the way they used to do. It has got past that stage and must now be taken seriously."⁵⁴ Then, in 1959, the Honda factory team made its first appearance at the Isle of Man TT, racing in the lightweight 125cc class. Greeted at first with what was termed "polite derision", the Honda machines finished in comparatively poor positions. The following year they returned and won all positions between first and tenth place.⁵⁵ Shortly afterwards an unnamed British company procured a lightweight Honda for examination. According to its Managing Director, the results of the investigation were highly disturbing:

53. See Boston Consulting Group, op cit, p.xiv.

54. See 'Motor Cycle Matters', Motor Cycle and Cycle Trader, 6 July 1957, p.1866.

55. See article entitled 'Technical Analysis: Honda 350 Four' by 'Europa', Cycle World, June 1964, contained in Cycle World On Honda, 1962-1967, Cobham, Surrey: Brooklands Book Distribution Ltd., 1988, pp.30-33.

When we stripped the machine it was so good it frightened us. It was made like a watch and was not a copy of anything. It was the product of original thinking, and it was very good thinking.⁵⁶

What particularly worried manufacturers were rumours of impending changes to trading relations between Britain and Japan. In fact, negotiations between the two governments had been in progress since 1955 with the aim of liberalising their import restrictions/regulations. In late 1959 the Industries Association was informed by the Board of Trade that it would shortly commence discussions with the Japanese government for the purpose of concluding a bilateral trade agreement.⁵⁷ Several months later, BSA's motor cycle chief Edward Turner informed members of an Industries Association Council meeting that he had heard news of a concessionaire canvassing dealers around Britain to discover whether or not they would carry Japanese motor cycles. This unwelcome information was worsened by the fact that the Industries Association was unable to prevent dealers from selling imported products, thanks to the recent dissolution of long-standing trading agreements, implemented because of advice that they were illegal under the Restrictive Practices Act.⁵⁸

56. See 'Oriental look for motor cycles', The Statist, 6 April 1962.

57. See memo entitled '486/59: Trade with Japan, 1960/1961', dated 2 December 1959, contained in Guardbook MRC MSS 204/3/1/92.

58. See minutes of Council meeting held on 31 May 1960, contained in Guardbook MRC MSS 204/3/1/93. In a memo to the Council, Hugh Palin reported that the dismantling of the agreements, "demolished the valuable scheme of trading that the industry has built up over a long period of years." See memo dated 13 June 1961, contained in Guardbook MRC MSS 204/3/1/96.

In July 1960, Palin sent out a report to inform members that an interim trade agreement between Britain and Japan had just been concluded which was designed to promote greater trade between the two countries. He admitted that it contained a provision liberalising motor cycle and bicycle imports which had come as a "bombshell." A "strongly worded" letter had already been sent to the President of the Board of Trade about the lack of prior consultation.⁵⁹ Subsequently, Palin discovered that the new agreement, which also contained a £100,000 quota clause for imports of scooters and mopeds, failed to provide a definition of either vehicle. It was now feared the Japanese might take advantage of these ambiguities to increase their exports. At a Council meeting held in July 1960, members discussed the agreement and condemned the government's failure to consult with them beforehand. Palin was instructed to arrange for a meeting with President of the Board of Trade Reginald Maudling as quickly as possible.⁶⁰

Maudling subsequently acknowledged the "dissatisfaction" expressed by several British industries about the increased import liberalisation. He agreed that "some industries would face increased competition" but added that he was "confident that there would be no risk of a flood of imports from Japan." True, it would be easier for the Japanese to export to Britain, but the agreement would give British exports "new opportunities" which, he claimed, "on balance, would be of

59. See memo entitled '355/60. Director's Confidential Report', dated 19 July 1960, contained in ibid.

60. See minutes of the Motor Cycle Manufacturers' Section meeting of 20 July 1960 and the Council meeting of 21 July 1960, both contained in ibid.

substantial advantage to the UK."⁶¹ Palin met with Maudling shortly afterwards, in the company of representatives of the photographic, toy and sewing machine industries, who were equally enraged about the interim trade agreement. At the end of that meeting, Maudling was forced to concede that "consultation with various Industries had not taken place and it would perhaps have been better if it had." In future, he promised, the government would be more cooperative.⁶² Palin for one was not reassured. In a report sent out to members in November 1960 he stated that the trade agreement was a "major blunder".⁶³

Why had the British government not consulted with the industry before concluding the interim agreement with the Japanese? Having met with "many senior Board of Trade officials", Palin concluded that, unlike British manufacturers, "they really had no conception of the size or importance of the Japan [sic] Motor Cycle Industry, and could not believe they could constitute a serious threat to us."⁶⁴ In the meantime, however, the Industries Association would try and press the government to impose a quota on motor cycle imports in place of the current loosening of import restrictions.⁶⁵

61. See 'Imports from Japan. Mr. Maudling's Assurances', Financial Times, 7 September 1960, contained in newspaper clipping book MRC MSS 204/10/1/4.

62. See minutes of Council meeting of 20 September 1960, contained in op cit.

63. See memo entitled '517/60. Confidential Report', dated 7 November 1960, contained in Guardbook MRC MSS 204/3/1/95.

64. Ibid.

65. See minutes of the Motor Cycle Manufacturers' Section meeting of 19 January 1960, contained in ibid.

Was the British motor cycle industry, however, justified in being so critical of the British Government's failure to represent its interests? The fact was that the industry itself had not done much to prepare for Japanese competition, despite warnings in the trade press. In mid-1960, concerned by the increasing activity of the Japanese in various export markets, BSA had dispatched Edward Turner, still a Group Board member and Managing Director of the Automotive (soon to be retitled Motor Cycle) Division, to go out to Japan and conduct a first hand investigation.

His report, dated 26 September 1960, must have caused unrest among his fellow directors. Turner, who toured the Honda, Suzuki and Yamaha factories, was much impressed with what he saw, both in terms of yearly output (now over a million units in total) and quality. Indeed, he noted that the very scale of the Honda factory alone, which by then produced approximately a quarter million units per year (compared to 140,000 for the entire British industry) was far ahead of anything he had ever previously encountered. Having reviewed their operations, Turner concluded that it must "borne in mind that we have not now nor ever have had, the quantities of any one product which would justify these highly desirable methods being used."⁶⁶

66. Turner's report is reproduced in Ivor Davies, It's a Triumph, pp.199-205. In an interview conducted afterwards, Turner claimed the rapid growth of the Japanese motor cycle industry was brought about by "heavy home market consumption caused by the rising standard of living." He also claimed that generous American financial aid had allowed Japanese motor cycle manufacturers, among others, to invest in factory and plant, "on a lavish scale." See 'E. Turner visits Japan', Motor Cycle and Cycle Export Trader, December 1960, p.160.

Turner's brief had been to gather information on the Japanese industry, in order to enable BSA and Triumph "to plan counter measures to try and preserve our own share in the motor cycle world markets." It is unclear, however, just how his report, which made no concrete suggestions for action, was received by the BSA Group Board. Presumably, as a senior Group Board member, any recommendations from Edward Turner to change production programmes or initiate new designs must have been given the most serious consideration by his colleagues. Yet no action would be initiated for another several years, a critical period when the Japanese began to consolidate their hold on markets previously dominated by British manufacturers.⁶⁷

It is true that during the trade negotiations with the Japanese, the British government had priorities which did not always take into account the interests of industry. The perspectives of ministers and civil servants were coloured by the consideration that Anglo-Japanese trade "had begun to assume much more importance ... in view of the remarkable progress of the Japanese economy."⁶⁸ When, for example, the President of the Board of Trade visited Japan in April 1962, he was informed that there was "little doubt that scope exists for a substantial increase in trade between the UK and Japan in future." Specifically, there were "considerable opportunities for the sale of machinery of all kinds" such as machine tools, office machinery, chemicals and radar." The

67. Ibid. The surviving BSA Group Board of Directors Minutes books have a gap covering the period 1960 to 1969.

68. See Government's Statement on the Anglo-Japanese Treaty, London: HMSO, 1962.

problem was that an increase in Anglo-Japanese trade might not benefit everyone.⁶⁹

Indeed, motor cycle manufacturers might have been very uneasy had they been aware of certain remarks the President of the Board of Trade made before a meeting of the Japan-British Society in Osaka in May 1962. The speech, which referred generally to the desirability of increasing trade between the two countries, included the following statement:

It is certainly not our policy to preserve uncompetitive industries as monuments to Britain's industrial past. We recognise that with constant technological changes, rising labour costs and the growth of production in other countries, some branches of industry are bound to decline because they are no longer competitive. Our future lies in developing new industries, particularly those which call for high technological skill, and not in seeking to protect those which are out of date or no longer economic.⁷⁰

The desirability of increased trade with Japan was also shared by the Federation of British Industries. Another visitor there during this time was the FBI's Director-General Norman Kipping. Before he left Britain, he had been informed

69. See 'Brief for President's Visit to Japan, April 1962', contained in PRO BT 11/5758. Much the same point about the priorities of the British government are made in Jim Tomlinson's 'British Industrial Policy in a Japanese Mirror: Why no MITI in Britain?', unpublished paper delivered at the Fourth Anglo/Japanese Conference, London School of Economics, 14-16 April 1994.

70. See 'Draft Speech for the President to give to the Kansai Japan-British Society in Osaka, on May 1, 1962' contained in PRO BT 11/5909. Another consideration held by British trade negotiators was the fact that the Japanese bargaining position had been "greatly strengthened" by a "substantial improvement" in the British balance of trade with Japan. This imbalance, one civil servant wrote, might create pressure on the British government to liberalise existing trade restrictions on items such as mopeds, even though such action would be undertaken "with some misgivings." See 'Annex C - Note on the Trade Negotiations with Japan, August-December 1961', contained in PRO BT 11/5758.

by the Board of Trade that the price of liberalising trade with Japan might be "materially affected by the treatment of Japanese imports in this country."⁷¹ Once in Japan, Kipping visited a number of enterprises, including Honda Motor and, like Edward Turner before him, was greatly impressed by the advanced state of factory and plant. He was also struck by the potential market for British exports but was equally concerned about the implications of Japan's sizable trade deficit with Britain.⁷² As a direct result of Kipping's tour, the FBI commissioned an in-depth report on Japan by the Economist Intelligence Unit, which was published in April 1962. Among other things, the report examined the Japanese motor cycle industry and confirmed both Kipping and Turner's assessment about its output and quality. It also singled out Japanese motor cycle models for special praise, noting that they incorporated "original design feature ... [which] are showing competitive strength internationally."⁷³

The formal trade agreement was officially signed in London during mid-November 1962, in the presence of both Prime Ministers Macmillan and Ikeda. Government officials

71. See 'Director-General's Report', dated February 1961, attached to the FBI Grand Council minutes, 1961, contained in MRC MSS 200/F/3/S3/2/12.

72. According to Kipping's itinerary, he toured the Honda factory on 10 October 1951. A copy of the itinerary is contained in MRC MSS 200/F/3/D3/6/72. For a general account of Kipping's Japanese tour, see A Look at Japan, Federation of British Industry: London, 1961 contained in MRC MSS 200/F/4/76/17. In his memoirs, Kipping noted that, after his visit to Japan, "we could see many gaps in the products on sale that could be filled by British exports, in a market that was rapidly absorbing western tastes and standards." See Norman Kipping, Summing Up, London: Hutchinson and Co., 1972, p.173.

73. See The Japanese Economy, London: Economist Intelligence Unit, April 1962. A copy of this report is contained in MRC MSS 200/F/4/77/5.

discounted fears of undue Japanese competition on the Home market as "exaggerated."⁷⁴ The Treaty did provide two safeguards against what was termed "disruptive competition." One allowed either signatory party to re-impose restrictions should it be shown that imports had arrived "in such increased quantities and under such conditions as to cause or threaten serious injury to producers of like or competitive products." The other was a list of so-called "sensitive items" which needed continuing protection against open competition for a period of three years after the Treaty came into force. The items on the list included certain yarns and fabrics, radio and television components and pottery goods. Inexplicably, it did not include motor cycles, scooters and mopeds.⁷⁵ The FBI released a statement on the day of signing which welcomed the Treaty, on the grounds that it contained "many good features." However, it also cautioned that there were "some [clauses]

74. The agreement's formal title was Treaty of Commerce, Establishment and Navigation, signed on 14 November 1962. London: HMSO, 1962. (Cmnd 1874). For various reactions to the negotiations leading up to the signature of the treaty, see for example 'More competition from Japan', The Economist, 31 December 1961, p.1303, 'A Sun still rising', ibid, 3 March 1962, pp.786-787, 'Doing business with Japan' by Victor Sampson, The Statist, 23 November 1962, pp.535-539' and Anglo-Japanese Trade Treaty is signed', The Times, 15 November 1962, p.2.

75. See Government Statement on the Anglo-Japanese Commercial Treaty, London: HMSO, November 1962 (Cmnd 1875) pp.4-9. the agreement was the subject of much discussion in the House of Commons, see 'Debate on the Anglo-Japanese Treaty', Hansard, [668], 5 December 1962, cols 1335-1443. The Government's case was put by Alan Green, Minister of State for the Board of Trade, see cols 1336-37 and 1341. There was little opposition expressed against the agreement, except from MPs representing textile districts in the north. See, for example, the remarks of Geoffrey Hirst, MP from Shipley, at col 1352.

which caused misgivings." For its part, the National Union of Manufacturers expressed "reservations" about the Treaty.⁷⁶

The results of gradual liberalisation of Anglo-Japanese trade after 1960 were soon apparent. In September 1960, during a meeting of manufacturers and retailers representatives, concern was already being expressed about a "considerable number of Japanese machines" entering the Home market, even though the first Honda 'Supercub' was only sold that November.⁷⁷ Later the following year, Hugh Palin informed members of the Industries Association that, while Japanese motor cycle imports during 1960 had been 464 machines, between January and August 1961 alone they had more than doubled to 1,274. Palin noted that the increase was "particularly remarkable as it occurred at a time when the Home trade was very depressed, and when total imports of motor cycles, mopeds and scooters were down by as much as 60 per cent on 1960."⁷⁸

The threat was now recognised at the most senior levels of the industry. During his address to the 1961 BSA Annual General Meeting, Chairman Eric Turner acknowledged that foreign competition, particularly from the Japanese, "is growing and the effect is now being felt more than at any

76. See 'Misgivings felt by FBI', The Times, 15 November 1962, p.12. See also a copy of the FBI press statement, dated 14 November 1962, entitled Anglo-Japanese Commercial Treaty, contained in MRC MSS 200/F/3/D3/6/72.

77. See minutes of the Joint Advisory Committee meeting of 27 September 1960, on deposit with the Motor Cycle Retailers' Association. See 'First Honda 50cc sold in UK', Motor Cycle and Cycle Trader, 14 November 1960, p.126.

78. See memo entitled '458/61. Director's Report', dated 15 November 1961, contained in Guardbook MRC MSS 204/3/1/97, see also 'Motor cycles for the UK', Financial Times, 20 July 1960, contained in clipping book MRC MSS 204/10/1/4.

other time since the war," although he did not provide any information about what BSA was going to do about it.⁷⁹

Despite the sales recession, a Honda company representative claimed in late 1961 that Western Europe was "still the world's largest market for mopeds, motor cycles and scooters." Afterwards the company announced that it was setting up an assembly plant in Belgium capable of producing 10,000 lightweight machines per month - nearly the total monthly output of the entire British motor cycle industry.⁸⁰

Honda's sales effort in Britain was put under the direction of J.E. Harrisson, who had been hired from Raleigh Industries, where he had been a senior manager, responsible for moped sales. By June 1963, Harrisson and his marketing team claimed that the Honda 'Supercub' was selling so well that it now represented 40 per cent of sales in the lightweight category. Indeed, in only a few months, overall turnover of the 'Supercub' had increased by nearly 100 per cent, a virtually unprecedented achievement and one which did not go unnoticed by retailers around the country. So successful was Honda's sales campaign that one business journal remarked that it proved the prolonged motor cycle recession was less the result of Purchase Tax and Hire/Purchase restrictions rather than what it termed "producer inaction". Honda, by contrast, "has

79. See Chairman's speech, 14 December 1961, contained in MRC MSS 19A/4/39.

80. See 'Japanese Motor Cycle Company for Europe', 13 December 1961 p.21 and 'Honda European Works', 1 June 1962, p.105, both in the Motor Cycle and Cycle Trader. At the time, Honda production in Japan was reported to be 70,000 units per month, of which 20 per cent was exported.

clearly discovered an unexploited market where at the moment there are few competitors."⁸¹

The Industries Association's first response to the arrival of Japanese motor cycles was to try and prevent would-be retailers from carrying the imports. In April 1961, for example, a Coventry department store, Owen and Owen, displayed a Honda motor cycle in its front window. An outraged Hugh Palin thereupon phoned and successfully convinced store management to remove the offending imported machine.⁸²

However, many more dealers refused to be moved by pressure from British manufacturers. One, for example, wrote in to the Motor Cycle and Cycle Trader full of praise for Honda's British sales operation. "Honda has hit," he maintained, "the high spots in every direction and from the dealers' point of view has created a new stimulus to the whole two wheeled business which has been lacking for so long." His enthusiasm was not an isolated instance.⁸³

81. The Belgian factory was opened in September 1963, see 'UK Honda Sales Scope Limitless. First European Works Opened in Belgium', ibid, 20 September 1963, pp.261-263. A brief news item about Harrison being hired by Honda is contained in ibid, 27 July 1962, p.204. See also 'Biggest Two-wheeler Sales Drive Yet', ibid, 9 August 1963, p.196. For the quote about Honda, see 'Motor cycles - facing the 50cc challenge', Financial Times, 17 October 1963, contained in clipping book MRC MSS 2/4/10/1/4.

82. See memo dated 26 April 1961, entitled '206/61: Director's Confidential Report', contained in Guardbook MRC MSS 204/3/1/96.

83. See 'Keep it up, Honda!', ibid, 20 September 1963, p.271. Other letters to the Motor Cycle and Cycle Trader are 'Honda Competition Enterprise', 23 August 1963 p.233 and 'Well Done Honda', 6 September 1963, p.251. One retailer in Sheffield, however, was less impressed with the Japanese. Referring to an upcoming tour of Japan, laid on for its dealers by Honda, he recalled that there had also been "a trip made by many good men in 1942/44 who, due to some small oversight, forgot to return." See 'Selling British - and All Right!' ibid, 4 October 1963, p.287.

Early in 1963, the FBI created a Working Party on the Anglo-Japanese Commercial Treaty in order to monitor Japanese imports and collect evidence for a possible application to activate the Safeguard Clause. It was chaired by R.F.K. Belchem, who had been hired in 1959 to work directly with then BSA chairman Jack Sangster and was still a senior executive with the company. Upon questioning by other Committee members present, including Hugh Palin, Belchem admitted that the FBI had not been consulted by the Board of Trade about how the Safeguard Clause would operate.⁸⁴ Shortly afterwards, Palin expressed his concern about the Clause's future effectiveness. It was true that repeated assurances had been issued by the Board of Trade, pledging that vulnerable British industries would be protected against "disruptive" Japanese competition. However, as Palin later wrote to motor cycle manufacturers, it was "far from clear how the Government defines the degree of injury that must be suffered before action can be taken" nor did he know "precisely what is meant by 'disruptive'."⁸⁵

During the spring of 1963, the industry watched with growing dismay as more Japanese lightweight motor cycles, mostly Honda 50cc 'Supercubs', flooded into the home market. Some 4,270 had arrived in 1962 but by July 1963, with full liberalisation now in force, this number had increased to some 28,454 [see Appendix 1, Table XXV]. That autumn Palin informed Industries

84. See Minutes of the FBI Working Party on the Anglo-Japanese Commercial Treaty, dated 11 January 1963, contained in MRC MSS 200/F/1/1/217.

85. Belchem was hired as Sangster's Personal Assistant as of 12 January 1959. See agenda item 11342, BSA Board meeting of 22 January 1959, contained in Directors' Minute Book 17, MRC MSS 19A. See also memo dated 8 February 1963, entitled '45/60: Director's Confidential Report', contained in Guardbook MRC MSS 204/3/1/100.

Association members that, despite the large numbers of imports, it might not be possible to lodge a formal protest with the Board of Trade. The industry must first, Palin explained, "establish injury or threat of injury, and this is the rub."⁸⁶

Shortly afterwards, during an Industries Association Council meeting, members heard Association President Edward Turner inform them that he "doubted whether the Industry could currently make out a very good case so far as Japanese competition was concerned."⁸⁷ He expanded on this pessimistic statement at a subsequent meeting. According to Turner, "it was perhaps true that the bulk of Japanese imports were of a type of machine which the industry had not hitherto marketed." Furthermore, he was unable to recommend, as some had evidently urged him to do, that a formal protest be made to the Board of Trade, accusing the Japanese of 'dumping' their machines on to the British market at unrealistically low prices. Again, Turner had to admit that such a protest "might be difficult to establish as the prices were not altogether unreasonable when one considers the vast volume of production."⁸⁸

86. See memo dated 24 October 1963, entitled '363/63: Director's Confidential Report', contained in Guardbook MRC MSS 204/3/1/101.

87. See minutes of the Council meeting of 29 October 1963, contained in Guardbook MRC MSS 204/3/1/102.

88. See minutes of Council meeting of 10 December 1963, ibid. In an article he submitted to the Motor Trade Executive at about the same time, Turner explained that Honda's success in the 50cc engine displacement class could not be attributed to unfair trading practices. Their success was the result, he wrote, of the size and strength of the Japanese home market, "which enabled them to build huge quantities" allowing them to make "extremely substantial investment" in manufacturing facilities. This placed them, he concluded, "in a very favourable position to attack world markets, which they are now doing with great success." See 'The Next Five Years' by

Even with diminishing likelihood of success, Palin kept on hammering away at the Board of Trade to invoke the Safeguard Clause. In December 1963 he arranged to meet with Edward Heath, the newly appointed President of the Board of Trade, to further press the industry's case. However, as Palin advised Industry Association members, he held few hopes for a favourable reception. He had, in fact, already been informed off-the-record by Board officials that "it will be difficult for us to prove injury, or to establish that the decline in British motor cycle production and home sales is due directly to Japanese competition."⁸⁹ He then wrote to Belchem to inform him of another meeting with an unnamed Board official, whom he described as "not very sympathetic." Palin subsequently wrote once more to Belchem and quoted from a letter he had just received from 'Phillips', another official at the Board, rejecting his arguments for invoking the Safeguard Clause:

Our general conclusion ... is that the fall in home deliveries of motor cycles this year, during which period Japanese imports have become significant, continues to an established trend and that the Japanese are building up a market which would not otherwise have been exploited by the British industry.⁹⁰

Palin angrily refuted this statement in further letter to Belchem. He denied that the Japanese had created a new market; rather, what they had done was to encroach on the one

Edward Turner, draft copy dated 21 October 1963, contained in Guardbook MRC MSS 204/3/T91.

89. See memo dated 5 December 1963, entitled '423/63: Director's Confidential Report', contained in MRC MSS 204/3/1/102. Emphasis in original.

90. See Letter Palin-Belchem, dated 12 December 1963, entitled 'Re: Anglo-Japanese Treaty', contained in Guardbook MRC MSS 204/3/1/79.

already serviced by domestic manufacturers: "we are quite satisfied that the Japanese machines are not being sold to an entirely new public but to precisely the same people who might otherwise have bought British." Yet, Palin had to agree that the lightweight Japanese models did attract many British consumers: "they are attractive and sell at rather a lower price than the cheapest light weight British motor cycle."⁹¹

Despite repeated rebuffs from the government over import restrictions, the Industries Association continued to agitate for a relaxation of Purchase Tax. Cutting this tax, manufacturers stated, would reverse declining sales on the home market and, by implication, make the industry more competitive abroad. This argument continued to be met with scepticism by officials at the Board of Trade. In December 1963, having reviewed a recent Industries Association brief, one official remarked that while "many statistics can be adduced to show that exports go up as the Home market expands, and decline as it contracts," there were "obvious limitations" to this line of argument. Cutting Purchase Tax, he continued, "may not wholly offset a secular decline in which other factors are at work."⁹²

Shortly afterwards, another Board official expressed his scepticism about the industry's case. He doubted whether any reduction in Purchase Tax would help improve the sales of motor cycles, the heavyweight models in particular. As he observed, "some will doubtless continue to buy these of choice

91. See letter, Palin to Belchem, dated 3 February 1964, entitled 'Re: Treaty', contained in ibid.

92. See Minute #2, prepared by K. Taylor, dated 12 December 1963, contained in PRO BT 258/1889.

and a reduction in Purchase Tax might stimulate some slight revival in demand. One cannot, however, help feeling that people will tend increasingly to prefer a car as they come to be able to afford one." On the other hand, the Japanese "seem to have created something of a new market" and cutting the Purchase Tax would not necessarily help British producers compete with them.⁹³ Indeed, the Board of Trade was simply not willing to accept the central theme of the industry's submissions, the allegation that the cheap Japanese imports were somehow represented unfair trading. As another Board official concluded: "Given the strength of the Japanese and Italian industries, ... and the initiative which the Japanese have succeeded in taking in the ultra lightweight [50cc engine capacity class] ... it is difficult to accept the industry's case without reservations." The industry could not expect any help from this quarter.⁹⁴

At least one British motor cycle retailer shared the conclusions of civil servants. Writing in to a trade journal, a dealer from Wigan, Lancaster, explained why he thought British consumers had been buying the imports in such quantities. The fact was, he wrote, that "British designers

93. See letter, W.G. Onslow to D. Johnson (Customs and Excise), dated 24 December 1963, contained in ibid.

94. See memo entitled 'In Confidence. Motor Cycle and Scooters', no date or author indicated, but attached to a memo entitled 'Bicycles and Mopeds' and dated 17 December 1963, signed by C.W. Sanders, contained in ibid. This assessment was shared by an independent observer. Honda's success in the lightweight classes demonstrated that the Purchase Tax was less a deterrent to sales than the fact the market for the heavy weight models favoured by British manufacturers was simply too narrow and showed little likelihood of expansion. See 'Motor cycles facing the 50cc challenge', Financial Times, 17 October 1963, contained in clipping book MRC MSS 204/10/1/4.

have little idea of how to combat the Honda and Suzuki machines." Citing the BSA 75cc 'Beagle', this dealer insisted that the specifications of domestically produced machines were simply not good enough to match the foreign competition. The latter came standard with, among other things, better suspension, a speedometer, legshields, and more attractive chrome styling. The dealer held little hope for the future of British machines: "I have given the Beagle prominence in our window display but Wiganers are just not interested."⁹⁵

The relative merits of British and Japanese motor cycles were fiercely debated amongst enthusiasts around Britain. In one instance, the newsletter of a motor cycle club in Kent reported an exchange between supporters of both national producers. Partisans of Japanese machines seemed to be in the majority. Not only could they point to successes on the race track but in comparisons of performance and design, the British motor cycles lost out time and again. The Hondas had better brakes, an electric starter was standard and they were far more reliable. As one enthusiast described it: "Until one has ridden a Japanese bike, one doesn't know how wonderfully superb they are."⁹⁶

95. See letter to the editor, entitled 'UK-Jap Design Contrasts', from D. Rogerson, Manager of Rogerson's in Wigan, Motor Cycle and Cycle Trader, 1 May 1964, p.52. BSA Production Manager John Balder termed the 'Beagle' "an utter flop." In his opinion, the problem was that BSA tried to compete on the basis of price, which meant that "everything was skimped to the point in which it wouldn't work." In contrast, the Japanese machines may have cost more but, thanks to superior specification, were far more reliable. See John Balder interview, 18 November 1994.

96. See 'The British-Jap motor cycle controversy', Eltham and Kentish Times, 19 February 1965, contained in clipping book MRC MSS 204/10/1/4.

Then, in July 1963, a major British manufacturer joined the stampede to buy Japanese motor cycles. AMC, which had been conducting secret negotiations with Suzuki, succeeded in gaining the distribution rights for their lightweight models throughout Britain. The news of the agreement, which came as a complete surprise to Palin and virtually everyone else in the industry, created great consternation, being the first time a significant British manufacturer had cooperated with a foreign rival on the home market. Such a split among manufacturers ensured the impossibility of a united position on imports.⁹⁷

For its part, AMC argued that such an arrangement with a Japanese producer was inevitable and necessary for its continuing survival. In his address at the subsequent shareholders' meeting, Chairman Hulbert stated that the distribution agreement was "reached only after the most careful consideration of the many problems involved." It was the expanding lightweight motor cycle market which showed real potential, not the traditional heavyweights which AMC had specialised in manufacturing over the years. As Hulbert informed the shareholders:

The products [Suzuki imports] are of a type which have not been developed or promoted to any extent by the British industry for the very good reason that the total demand in this country could never warrant the heavy investment required to produce a comparably priced product. Once accepting the fact

97. See letter from Hugh Palin to J.F. Kelleher (Joint Managing Director, AMC), dated 1 July 1963, contained in Guardbook MRC MSS 204/3/T72. See also 'AMC to Distribute Japanese Motor Cycles', Financial Times, 26 June 1963 and 'Surprise at motor cycle link-up', Birmingham Post, 26 June 1963, both contained in clipping book MRC MSS 204/10/1/4 and 'AMC to handle Suzuki' Motor Cycle and Cycle Trader, 28 June 1963, p.154.

that the vast Japanese home market confers such immense benefits in product costs that it is impossible for British manufacturers to compete, it is then a logical step to develop the type of distribution undertaken by your company in support of its traditional British motor cycle products which are sold in Home and export markets.⁹⁸

The implications of the AMC-Suzuki deal were soon felt at the Industries Association. During the October Council meeting, the AMC representative present made it very clear that his company would oppose any further move to convince the Board of Trade to impose import restrictions. Not only did the Industries Association fail to make such an application, but thereafter the entire issue of imports was a closed subject. Several months later, when the managing director of a small all-British lightweight motor cycle manufacturer inquired about what was being done about increasing numbers of imports, Palin admitted that the Industries' Association was powerless. Because of AMC's interest in promoting Japanese motor cycles, they had now ceased to refer to it anymore for fear of aggravating internal divisions.⁹⁹ Nor would the Board of Trade help. "We are doing all we can," Palin declared, but are "making no headway at all and it seems pretty clear that

98. See Chairman's speech, delivered on 27 April 1964, copy on deposit at the Guildhall Library. One dealer wrote that "now we have the somewhat humiliating picture of [AMC] acting as distributing agent for one of the foreign machines - no doubt a wise commercial move. But the victories and honours could have been ours, surely?" See letter from K. Robert, entitled 'Not too late for UK lightweights', Motor Cycle and Cycle Trader, 26 July 1963, p.190. In the first year of the agreement, some 17,000 of the lightweight Suzukis were shipped to Britain for distribution by AMC. See Jeff Clew, Suzuki, Sparkford, Yeovil: Haynes Publishing Group, 1980, p.51.

99. See memo 363/63, entitled 'Director's Confidential Report', dated 24 October 1963 and the minutes of the Council meeting held on 29 October 1963, contained in Guardbooks MRC MSS 204/3/1/100 and MSS 204/3/1/102. See also letter, Hugh Palin to D.P. Cobb (Greeves Motor Cycles), dated 17 August 1964, contained in Guardbook MRC MSS 204/3/T80.

the present Government is committed to a liberal trade policy and only a severe bout of unemployment would, I believe, shift them."¹⁰⁰

Although their domestic sales had not revived, industry leaders believed that there was a marked improvement in the image of motor cycling in Britain, irrespective of the origin of the machines. In mid-1964, Hugh Palin reported to Industry Association members that, thanks to their publicity work, the so-called 'Mods and Rockers' phenomenon, which "could so easily have developed into an anti-motor cycle and anti-scooter campaign" had not done so, a fact he attributed to "a reflection of the much better public relations which now exist in relation to two-wheelers."¹⁰¹ Shortly afterwards, Hugh Palin was invited to a school in Shrewsbury, to witness the presentation of a motor cycle to the headmaster as part of an initiative to start-up a motor cycle and scooter training scheme. As Palin later informed industry leaders, he had been "tremendously impressed" by the "significance of this occasion for the future of the industry." Recalling how, "only a few years ago," motor cycling had been looked upon "by many as an undesirable activity, you can perhaps imagine my feelings sitting on the platform of this modern school, before an assembly of all 700 pupils, and listening to the Chairman of the School Governors extolling the virtues of the motor cycle

100. See Palin-Cobb, *ibid*.

101. See memo entitled '229/64: Director's Confidential Report', dated 4 June 1964, contained in Guardbook MRC MSS 204/3/1/103. For more on the 'Mods and Rockers' see Stanley Cohen, Folk Devils and Moral Panics, Oxford: Blackwells, 1993. See also Ian Harris, 'Myth and Reality in the Motorcycle Subculture', *op cit*, and Mike Clay, Cafe Racers - Rockers, Rock 'n' Roll and the Coffee-Bar Cult, London: Osprey Publishing, 1988.

and the value of training on two wheels." If this was the trend of public opinion, then the industry's publicity campaign was finally showing results. The problem was that, although motor cycling enjoyed an improved image, the public had largely stopped buying British produced motor cycles.¹⁰²

The one place they did continue to sell in substantial numbers was in North America, but there too the Japanese had made their mark. Japanese machines first appeared on the west coast of North America in the late 1950s.¹⁰³ Subsequently, Japanese exports to the US and Canada grew rapidly. A report prepared in 1961 noted that, during 1958, 2,000 motor cycles had left Japan for the US, and this total had jumped to 8,000 in 1960, a development which was termed "particularly menacing" for British importers. This was simply the beginning. In 1962, 25,000 machines, mainly Honda 50cc 'Supercubs', arrived and the following year this soared to 100,000.¹⁰⁴ Ironically, the Japanese did not have to worry about import restrictions, thanks to the successful Tariff

102. See unentitled memo to members of the Industries Association Council, dated 9 February 1967, contained in Guardbook MRC MSS 204/3/1/109. In early 1968, the Industries' Association was still sensitive enough about public perceptions about motor cycles and motor cyclists that it opposed the much delayed release of the film 'The Wild One' in Britain. Their opposition was based on the grounds that the 15 year old movie might have a negative effect "on the improved image of the industry." See minutes of the Joint Motor Cycle and Scooter Committee meeting of 6 February 1968, contained in Guardbook MRC MSS 204/3/1/110.

103. For the reaction of one well-established Canadian motor cycle dealer, see Frank Hilliard, Deeley - Motorcycle Millionaire, Victoria, Canada: Orca Book Publishers, 1994, p.121.

104. See memo '271/61. Director's Confidential Report' dated 5 June 1961, contained in Guardbook MRC MSS 204/3/1/96 and 'Japanese Competition helps British Motor Cycles. Paradox of US Sales Expansion', Times, 17 March 1963, contained in TUC file 12913, on deposit at the MRC.

Board case made by British manufacturers nearly ten years before.

By 1962 one American enthusiasts' journal observed that a "cold draft of Japanese competition has sent a shiver through the ranks of the [British] industry with both home and export sales in the decline." While the British blamed much of their poor sales at home to restrictive legislation, from the perspective of American consumers, the problems were more to do with the kind of models the British were selling. Not only were there "too many machines to choose from" but, if they wanted to hold on to their share of the market, they "must redesign models that will appeal to the general public in neatness, efficiency and above all quietness." In the absence of such changes, their hold on the loyalty of American motor cyclists might be shorter than the British manufacturers expected.¹⁰⁵

Honda, in particular, exploited its initial advantage by launching an advertising campaign more extensive and better funded than any that had ever been attempted before by either the British or American industries. In 1962, Honda hired a professional advertising company expressly to devise a change in the image of the motor cycle as "a plaything for juvenile delinquents." The campaign, which cost an unprecedented \$2,000,000 (US), was headlined by the slogan, 'You meet the nicest people on a Honda' and, in another break with orthodoxy, appeared in a number of popular magazines such as Life, The Saturday Evening Post and Playboy. As Honda's 1963

105. See 'Late news from England' by B.R. Nicholls, contained in Cycle World On BSA, 1962-1971, Cobham, Surrey: Brooklands Book Distribution Ltd., 1987, p.9.

Annual Report put it, their intention was to follow a "policy of selling, not primarily to confirmed motor cyclists but rather to members of the public who had never before given a second thought to a motor cycle."¹⁰⁶

As in Britain, the boom in the North American lightweight motor cycle market was led by the Honda 'Supercub'. During 1963, for example, out of a total of 149,147 imports, 50,252 were less than 50cc displacement, 15,573 larger than 250cc and 83,322 between 50 and 250cc.¹⁰⁷ Intentionally or not, even the far larger British machines were pulled along by the momentum developed by the Japanese sales campaign. The result was increased popularity for the heavyweights, as "novices who probably never would have become customers for British machines" moved up to the BSAs, Triumphs and Nortons once they tired of the lesser performing Hondas.¹⁰⁸ [See Appendix 1, Table XXVI]. This phenomenon was well appreciated by British motor cycle manufacturers. In 1966, a delegation of industry executives visited North America and observed developments first hand. They were deeply impressed by the explosive

106. See Sol Sanders, Honda - the Man and His Machines, Boston: Little Brown and Co., 1975, pp.84-85 and pp.96-97 and Tetsuo Sakiya, Honda Motor, pp.124-125. See also Bacon, Honda - The Early Classic Motorcycles, pp.23-26, Richard T. Pascale, op cit, pp.47-72 and 'Thirty Years after Sunrise' by Art Friedman, Motorcyclist, July 1989, pp.51-63.

107. See memo '307/64. Japanese Exports of Motor Cycles', dated 19 August 1964, contained in Guardbook MRC MSS 204/3/1/103.

108. See 'Japanese Competition helps British Motor Cycles. Paradox of US Sales Expansion', op cit, 'Lightweight trade will increase', by Ted Wassell, Motor Cycle and Cycle Trader, 7 February 1964, p.156 and 'Forward planning essential today', ibid, 28 February 1964, p.195. For more on the American perspective, see also 'Wooing the 'Mild Ones'', Business Week, 30 March 1963, pp.26-27, 'How the 'Thunderherd' brought a Honda boom to the US' Newsweek, 6 July 1964, pp.66-67 and 'Japanese cycles in high gear', New York Times, 20 October 1965.

growth of Japanese imports to the USA, which had increased from 300 in 1959 to 313,200 in 1965. While they found it disturbing that Britain's share of the US motor cycle market had declined from 33 per cent (by value) in 1958 to 12 per cent in 1965, "we did not find any feeling of alarm in the British importers' camp, and indeed business has never been so good." Indeed, sales had jumped by 25 per between 1964 and 1965. The fact was that "the great bulk" of Japanese sales were in the "small utility machines" which sold for approximately \$215, "whilst almost all British sales are in the retail bracket between \$1,000 and \$1,500." In the event, and against their earlier fears, the British were not "losing sales to the Japanese to any appreciable extent"; instead, "we are each operating at opposite ends of the market."¹⁰⁹

The delegation also noted that, "in the opinion of many well informed observers", the Japanese advertising campaign had "done a great deal of good to the motor cycle trade as a whole." The vast sums spent on advertising, "much of it in the high class magazines," had helped "make motor cycling more 'respectable' and [wiped] out the unfortunate 'leather jacket' image." The overall result was that the Japanese "have put tens of thousands of ordinary folks on two-wheels, folks with two and three cars very often, and quite a few of these become 'sold' on motor cycling and graduate to larger machines." The report ended on a note of caution. The lightweight market,

109. See Report of Mission to the USA, April - May 1966, Coventry: British Cycle and Motor Cycle Industries Association, 1966, p.11. Bert Hopwood specifically cites this attitude as symptomatic of the self-satisfaction which ensured British manufacturers were ill-prepared to meet the Japanese heavy-weights when they became available several years later. See Hopwood, op cit, p.183.

currently dominated by the Japanese, "is not one which the British Industry is particularly well equipped to attack at present" and it would do well to try and develop. Moreover, there was no guarantee that in future the Japanese might not decide to move into the heavyweight market.¹¹⁰

It was debatable whether or not the British industry had the resources to take advantage of the growing demand for motor cycles in North America. AMC, for example, remained in poor condition. Although its motor cycle sales had been assisted by the business generated through the Suzuki link-up, this was not sufficient to prevent financial distress. In order to counter continual losses, the company tried to diversify into general engineering work while also increasing motor cycle exports. The export drive was fairly successful (in late 1964 Chairman Hulbert claimed that between 70 and 90 per cent of output was sent abroad, mainly to the USA) but the company's efforts to increase production were repeatedly frustrated by labour shortages. Moreover, financial losses kept on mounting and by 1965 had reached a total of £1.5 million.¹¹¹ AMC manager to stagger on for another year but finally went into receivership in July 1966 with debts totalling £2.2 million. At the time, the business press remarked that the company had been brought down by its concentration on large displacement

110. See Report, op cit. The delegation came to the same conclusions about the Canadian market, although they noted that British manufacturers had great difficulty in supplying their dealers with sufficient numbers of machines.

111. See 'A change in two wheeled fortunes?', The Statist, 22 February 1963, p.571, 'AMC building exports', The Motor Cycle and Cycle Trader, 27 November 1964, p.116, Woollett, op cit, pp.282-283 and 'Motor cycle exports continue to rise', Financial Times, 30 July 1965, contained in newspaper clipping book MRC MSS 204/1/10/1/4.

motor cycles, "the static market for really powerful machines bought by racing and rallying enthusiasts."¹¹²

AMC's motor cycle operations were thereupon bought up by Villiers Engineering, which had earlier been purchased by Manganese Bronze Holdings, a diversified engineering concern. The assets, comprising five separate motor cycle marques, subsequently became known as Norton-Villiers. Severe rationalisation followed. By 1969, the Woolwich factory had been closed down and production moved to the existing Villiers factory in Wolverhampton and a new facility at Andover. The model line-up was narrowed down to a 750cc (later 850cc) twin cylinder model, the 'Commando', which was essentially a modification of an older Norton design, described in the press as the "Aston-Martin of motor cycles." A lightweight 250cc machine, marketed under the old AJS name, was also produced in small numbers. Virtually all output went abroad, 85 per cent alone to the US.¹¹³

As the remnants of AMC struggled along under new management, BSA was now the industry's overwhelmingly predominant firm, accounting for approximately 80 per cent of total output. In 1960, after selling off the Daimler motor car subsidiary to Jaguar for a reported £3.5 million, it appeared as if it might

112. See 'AMC asks bankers to appoint receiver', 2 July 1966, 'The cost of failing to move with the times', both in Financial Times, and 'How America's Mr. Berliner could sway the fate of threatened AMC', Sunday Times, 7 July 1966. All references contained in newspaper clipping book MRC MSS 204/1/10/6.

113. See 'Associated Motor Cycles Resuscitated', The Statist, 22 November 1966, p.1240. See also 'Villiers takes over AMC motor cycles', Financial Times, 14 September 1966 and 'Motor cycle exports should aid BSA earnings', Daily Telegraph, 22 May 1967 and 'Motor bikes ease into top gear' by John Mattison, Sunday Times, 9 July 1967, all three contained in ibid.

sideline motor cycles in favour of more lucrative pursuits.

Instead of investing the proceeds of the Daimler sale into existing operations, the BSA Group Board of Directors decided to purchase Churchill Grinding Machine for £6 million.

Chairman Eric Turner justified the expenditure on the grounds that there had been a "remarkable upsurge in the demand of machine tools" thanks to the requirements of the expanding motor, electrical and domestic appliance industries. This was the kind of growth sector in which BSA wanted to participate. Motor cycles, by contrast, were declining to the extent that it was "causing some concern" to the Board.¹¹⁴

The move to diminish the significance of motor cycles in the BSA Group's overall production strategy did not last long. By 1964, Chairman Turner informed shareholders that they were again becoming the Group's most important product, thanks to expanding North American sales. Turner later claimed that recent marketing research had shown that, as the result of the stimulation provided by Honda's advertising, there was rich sales potential in North America for the large and powerful motor cycles that the BSA Group specialised in making.¹¹⁵

114. For information on the Daimler sale to Jaguar, see Jonathon Wood, op cit, p.144. See also Chairman's Speech to the Annual General Meeting, delivered on 16 December 1960 and 14 December 1961, contained in MRC MSS 19A/4/38 and 39 respectively. Writing sometime after the fact, Bert Hopwood noted that the money spent on Churchill "would have been sufficient to enable British motor cycles to survive and compete if it had been injected into the BSA Motor Cycle Division [as it would become] together with a 'no-nonsense' management." See Hopwood, op cit, p.186.

115. 'See 'Benefits of BSA motor cycle reorganisation', Financial Times, 29 April 1965, contained in newspaper clipping book MRC MSS 204/10/1/4. In early 1964, the Industries Association had informed Maurice Macmillan, Economic Secretary to the Treasury, that "between 60 and 70% of all production" was going abroad, a good proportion to the USA. See text of letter, which is included in the minutes of

Shortly afterwards, BSA's new Motor Cycle Division Managing Director, Harry Sturgeon (who had recently replaced Edward Turner, now retired although still holding a non-executive post on the Group Board), expanded upon this strategy.

Sturgeon, who had previously been Managing Director of de Havilland Aircraft company, also credited Honda for having vastly widened by the North American market through their successful advertising campaign. This had created significant opportunities for BSA. Sturgeon claimed that sales there could be much increased, based as they were, "on the national acceptability of our machines which in turn would largely depend upon their performance in sporting events."¹¹⁶

This intensified export drive was to be facilitated by a series of plant improvements at the Small Heath factory, beginning with a £750,000 investment over 1964/1965. Several years later, the company installed a new computer assisted assembly system, modelled on the one already in place at Austin's motor car works at nearby Longbridge, which was expected to substantially increase production.¹¹⁷ Once fully implemented, the company claimed its improved factory was "the

the Council meeting of 4 February 1964, contained in Guardbook MRC MSS 204/3/1/102.

116. See Ryerson, op cit, p.162, 'Motor Cycle Division has a new look', BSA Group News, September 1964, p.1., and 'BSA Group 'Fight Back' is on!', Motor Cycle and Cycle Trader, 18 September 1964, p.210. Sturgeon ruefully admitted that there would be hard work ahead in order to increase sales: "we had been too complacent ... the industry [is] beginning to learn that British products [are] not automatically the best nor the most saleable." See ibid.

117. See Balder interview, 18 November 1994 and 'The computer as a tool for production, planning and control' by John Balder, contained in Computer Case Histories, S. Summersbee (ed), London: The Machinery Publishing Co. Ltd., 1970. See also 'Motor cycles - far from gloomy', Financial Times, 16 August 1967, contained in newspaper clipping book MRC MSS 204/10/1/7.

most modern motor cycle assembly operation in Europe."

Another facet of the decision to increase production was the creation of a centralised motor cycle design centre, sited in a converted country house located between Birmingham and Coventry. In a move intended to inject new blood into existing design establishment, the centre was staffed primarily by personnel brought in from the aeronautics industry, not from long-time factory trained experts.¹¹⁸

At first, the decision to promote increased motor cycle exports to offset the weak home market seemed to have paid off. In 1966 Chairman Eric Turner claimed that motor cycle output was up by 50 per cent on the previous year and that 75 per cent of output was going abroad. Indeed, the level of exports was now so high that BSA/Triumph won the Queen's Award for Industry in both 1966 and 1967. Profits were up as well, to a healthy £3.6 million in 1966. In 1967 Turner remained breezily optimistic, despite the fact that profits had slipped back to £3.2 million, on account of factors beyond the company's control in the American market, such as poor spring weather, a credit squeeze and uncertainty caused by the escalating war in Viet-Nam.¹¹⁹ The latter factor was

118. See 'Benefits of BSA Motor Cycle reorganisation', op cit. See also 'Overseas sales prospects bright' by Lionel Jofeh, Birmingham Post, 16 January 1968, both contained in newspaper clipping book MRC MSS 204/10/1/7. See also Ryerson, op cit, pp.162-163. For improvements at Triumph during this time, see 'These factories are gearing up for 'go'', July 1963, p.3., 'Triumph clear the way for more machines', June 1966, p.3 and 'Triumph change space to keep up exports', December 1966, p.3., all in BSA Group News.

119. See 'How the 'Thunderherd' boss brought a Honda boom to the US', Newsweek, 6 July 1964, p.66 and 'Top gear get away for BSA', op cit. See also 'Cycle sales find road to success a bit bumpy', by Bob Thomas, Los Angeles Times, 9 April 1967, contained in newspaper clipping book MRC MSS 204/10/1/6. For the Queen's Award, see the 'Queen's Award Special Edition',

particularly worrying, since it was young men in the main who bought the larger, high powered motor cycles produced by BSA's factories.¹²⁰

Nonetheless, Turner thought these problems were merely transitory. North America held boundless opportunities, not the least because of its demography. Marketing research, he informed shareholders, had indicated that there were now so many Americans under age 25 - those most likely to buy motor cycles - that they numbered nearly twice the entire population of Britain. Most of these were "young people [who] have far greater purchasing power than anything we are accustomed to in this country." BSA, as the major supplier of heavyweight motor cycles in the North American market, was ideally placed to exploit this sales boom, which had been developed "very largely for leisure and sporting purposes."¹²¹

All this, however, was predicated on the assumption that the British would continue to hold the heavyweight market largely

Birmingham Post, 28 June 1967, p.10, contained in MRC MSS 19A/5/1 and the BSA Chairman's Speech, delivered on 4 December 1968, contained in MRC MSS 19A/4/46.

120. The Viet-Nam war temporarily dampened the motor cycle market in the USA but did result in at least one extra sale for BSA in Britain. In 1968 the British Communist Party bought a 250cc model and sent it to the Viet Cong to help in their struggle with the American armed forces. See untitled feature, Morning Star, 20 June 1968, contained in newspaper clipping book MRC MSS 204/10/1/6.

121. See Chairman's Speech, delivered on 6 December 1967, contained in MRC MSS 19A/4/45. Two years later, a representative of the advertising agency J. Walter Thompson told a group of British motor cycle industry executives that the key to the success of sales in USA was to present their products as "fun vehicles", associated with the "outdoor way of life" which, in contrast with the old 'leather jacket' image, was now "socially acceptable." See minutes of the Motor Cycle Trade Group, held on 28 October 1969, contained in Guardbook MRC MSS 204/3/1/117. See also, 'BSA's American challenge', Marketing, February 1971, contained in newspaper clipping book MRC MSS 204/10/1/9.

to themselves. Even in 1965 it was quite evident that the Japanese were capable of building bigger motor cycle than they had until then. That year, Honda introduced a 450cc twin cylinder model, which like the established lightweights was far more sophisticated than the British competition, coming standard with, among other things, an overhead cam engine and an electric starter. The significance of its debut was not lost on the business press, which observed that Honda now had "its sights obviously fixed on the fast expanding market in the US for heavyweight cycles." Having virtually abandoned sales of motor cycles under 250cc and with most of their output now exported to the North American market, British manufacturers viewed this as a very serious development.¹²²

However, the appearance of larger Japanese motor cycles did not seem to provoke the British manufacturers to any sense of urgency. Their strategy, larger Japanese models or not, was based on the firm belief that, while they were unable to effectively compete in categories under 250cc, they still held a secure position in their traditional citadel of heavyweight sports oriented machines. More particularly, they believed that British motor cycles would retain a dedicated and expanding market. In late 1966, a press feature on the future of the motor cycle industry described this optimistic outlook:

British manufacturers are confident that they will continue to hold the market for bigger machines, despite the attempts from Japan to break into this market. The British reasoning is that by keeping the big machines from here simple in design, they appeal to the enthusiast who wants to do his own tuning and generally fiddle with the bike ... The

122. See 'Heavyweight challenge from Japan', Financial Times, 16 June 1965, contained in newspaper clipping book MRC MSS 204/10/1/4.

big Japanese machines, although impressive on paper, have been too complex for the enthusiast amateur the British manufacturers argue.¹²³

This was not an isolated view and it continued to be shared by the most senior managers in the industry.¹²⁴

Despite the likelihood that the Japanese would soon produce larger displacement motor cycles, BSA had failed to take measures to meet future competition. Even though Triumph had actually developed a new 750cc triple cylinder model, which evidently could have been put into production several years earlier, nothing was done. When BSA's senior management heard rumours that Honda was working on a four cylinder 750cc machines, far and beyond anything they could offer, the Triumph triple design was quickly adapted and a crash production programme initiated. Although the new Triumph 750cc model still arrived in the American market in 1968 ahead of the big Honda, it was not at first a success. Development had been too rushed and it was consequently "a flop." The problems were ultimately sorted out, but valuable time had been lost.¹²⁵

123. See 'The optimistic two-wheeler industry' by Jack Hay, Birmingham Post, 8 November 1966, contained in newspaper clipping book MRC MSS 204/10/1/6.

124. See, for example, remarks made by BSA Chairman Eric Turner during an interview when he identified the "average motor cyclist" as one who is "very keen on the mechanical side and ... wants something different to pull apart." See 'Top gear get away for BSA', 27 July 1966, contained in MRC MSS 123X/10/1/3. It was also noted that British motor cycle manufacturers, unable to sell their machines on the home market, had been saved by "the monied and blase youth of America" who had "turned to a more virile method of transportation." See "After ton-up kids, a labour shortage", Guardian, 15 February 1966, contained in TUC clipping file 12913, on deposit at the MRC.

125. Although successful on the race track, the 'Trident' (which was also badged, with minor technical differences, as the BSA 'Rocket 3') was an expensive machine. At \$1,750 (US) it cost as much as a British Leyland 1.3 litre saloon motor car. See 'Accelerated sales of motor cycles and bicycles', by

By contrast, when the Honda 750cc arrived in the US market during 1969, the reception was highly favourable.¹²⁶ Not only was it well engineered, its four cylinder engine had overhead cams (unlike the more traditional overhead valve Triumph) and was capable of speeds up to 120 miles per hour. Furthermore, it came standard with such features as an electric starter and a disc brake, and did not, like most British motor cycles, leak an embarrassing amount of oil.¹²⁷ It was also carefully priced to undercut the 'Trident' and was backed by a "major advertising campaign." Yet, BSA Motor Cycle Division Managing Director Lionel Jofeh (who had replaced the recently deceased Sturgeon in 1967) professed not to be perturbed about this new Japanese onslaught. True, Honda had an edge on research and development because of its greater production volume, but this, he insisted, would be "counter-balanced by the British genius for technical innovation."¹²⁸

Peter Cartwright, Financial Times, 28 January 1969, contained in newspaper clipping book MRC MSS 204/10/1/7. For details on the planning of the 'Trident', see Hopwood, op cit, ppl.197-200, p.212, pp.212-213 and p.229.

126. Despite earlier warnings, BSA's American sales representatives later admitted that the appearance of the new Honda caught them with their "pants down." See 'British motor cycles fight to get off the starting line', by James Poole, Sunday Times, 14 September 1969, contained in newspaper clipping book MRC MSS 204/10/1/7.

127. See 'Challenge to the speed men', by Clifford Webb, the Times, 8 July 1969, contained in newspaper clipping book MRC MSS 204/10/1/7. For contemporaneous reactions to the new Honda, see 'Honda's Fabulous 750 Four - The Ultimate Weapon in one-upmanship', Cycle World, January 1969, pp.24-27 and 'Honda CB 750', ibid, pp.41-47, both contained in Cycle World on Honda 1968-1971, Cobham, Surrey: Brooklands Book Distribution Ltd., 1988.

128. In the 650cc class as well, the Japanese succeeded in pricing their machines much cheaper than their British competition. For example, a Triumph T120 cost \$1,579 (US), a BSA A65L \$1,474 and a comparable Yamaha only \$1,295. See 'Memorandum on the Birmingham Small Arms Company Inc.', dated 12 July 1971, prepared by Cooper Brothers and contained in MRC

The higher specifications and greater mechanical reliability of the new heavyweight Japanese motor cycles allowed them to appeal to a different type of American consumer. As an internal report prepared for BSA noted, the decline of sales for British motor cycles in North American did not reflect weaker demand overall but, rather, the introduction of the new Japanese models. North Americans bought them because of their advanced engineering and also their design features like extra chrome finish and gadgets. The latter was particularly significant:

This is an increasingly important point because the mechanically enthusiastic type of customer is accounting for a smaller proportion of the market as growth in market penetration is coming from a different type of person.¹²⁹

Maintaining success in the North American market was also dependent on improving productivity levels. These were now jeopardised by the inability of the Small Heath and Meriden factories, despite all the investment in plant, to manufacture sufficient numbers of motor cycles. This problem was not always easy to rectify. In part, the company was subject to continual shortages of skilled labour, particularly at the Birmingham factory, a point publicly referred to in the past by the BSA Chairman on at least two separate occasions.¹³⁰ Production levels, especially after 1965, were also hampered by growing labour unrest although this development was largely restricted to the Meriden factory. Along with late deliveries

MSS 19B/TB3. Jofeh's remarks are contained in 'Overseas sales prospects bright', op cit.

129. See Cooper Brothers Report, op cit, p.6 and p.34.

130. See Chairman's Speeches delivered on 16 December 1960 and 10 December 1964, contained in MRC MSS 19A/4/38 and 42 respectively.

of crucial components, Triumph found it increasingly difficult to meet output targets. In 1965, for example, 18,000 motor cycles were scheduled for export to the USA. In the event, because of various set-backs, only 16,000 were actually dispatched.¹³¹

During 1969, BSA encountered further complications at the Small Heath factory. The newly installed assembly system did not work as well as planned. In part, this was again due to the inability of component suppliers to deliver on time, resulting in "persistent failures to reach production schedules." One press report described the factory as "cluttered with machines unfinished for lack of one or more components - perhaps even the final stick-on transfer." Such a breakdown of relations between the factory and its suppliers is indicative of the very serious management deficiencies in the BSA organisation.¹³²

Sales also began to flag in the US market as dealers there waited to see how BSA would react to the appearance of the Honda 750, a situation aggravated when Kawasaki introduced its own heavyweight model, a three cylinder 500cc machine, which was some 30 per cent cheaper than the 'Trident'. Moreover,

131. For background on labour relations at the Small Heath and Meriden factories, see Koerner, Trade Unionism and Collective Bargaining, chapter 3. For figures of Triumph's planned and actual production totals for 1965, see information contained in the Triumph Engineering Accounts books, MRC MSS 123/2/3/20/1.

132. See 'BSA may sack up to 1,050 workers in Birmingham', 26 July 1969, and 'BSA jobs threat partly due to production snags', 29 July 1969, both by Peter Cartwright, Financial Times, contained in newspaper clipping book MRC MSS 204/10/1/7. According to John Balder, relations between the industry and its suppliers had been aggravated by fact that the manufacturers' buyers had frequently "screwed down" the price of the various components. The result was poorer quality components. John Balder interview, 18 November 1994.

BSA's competitive position was further undercut by its continual refusal to incorporate technical improvements, despite repeated appeals from American dealers to do so. However, BSA management insisted that features such as electric starters and five speed gearboxes were unnecessary.¹³³

In his speech at the Annual General Meeting later in 1969, Chairman Eric Turner attributed BSA's misfortune to a number of factors. He conceded that the Japanese had begun to undercut the company's position in the vital USA market through the introduction of their own heavyweight models. This was a matter of some concern with 90 per cent of the Group's motor cycle output going abroad, a high proportion to the USA. Although BSA and Triumph still held 90 per cent of the 650cc and 60 per cent of the 750cc engine capacity classes in the American market, it now held only 50 per cent of the 500cc and a mere 14 per cent of the 250cc segments. Worse yet, overall motor cycle turnover had declined 6 per cent on the 1968 levels and 11 per cent in the USA specifically. In response to the lower profits, the BSA Board had commenced a policy of retrenchment, closing down the Redditch factory (at a saving of £250,000) and selling off its central heating subsidiary.¹³⁴

Not only were production level disappointing, but there was also now a more serious problem with quality control. The

133. Ibid. See also Brooke and Gaylin, op cit, p.71.

134. See Chairman's Speech, 4 December 1969, MRC MSS 19A/4/47. See also 'BSA to close Redditch motor cycle plant', by Clifford Webb, The Times, 28 November 1969 and 'BSA to close down Redditch motor cycle factory', by Peter Cartwright, Financial Times, both contained in newspaper clipping book MRC MSS 204/1/0/1/7.

cost of the emphasis on increased output as the overriding priority began to show in the greater number of defects appearing, and this had an overall detrimental effect on the reputation of British machines.¹³⁵ During the 1960s, motor cycles had arrived in the USA missing important components and also badly corroded. American consumers began to lose patience. In 1970, for example, a BSA 650cc 'Lightning' received a poor review in the American enthusiasts' journal Cycle World. The test machine, the account noted, suffered from a "quite annoying" level of vibration, which the tester attributed to loose engine mounts. Although the general design was praised, he concluded that overall it was "frustrated by poor execution and inattention to certain detail."¹³⁶ Nor were these types of problems restricted to export models. At a meeting held between manufacturers and home market retailers during 1970, one dealer "pleaded for the introduction of quality control on all British machines."

Another was equally critical of the factories' inability to

135. According to Hopwood, who was then General Manager at Triumph, Managing Director Harry Sturgeon was "obsessed with the achievement of more production at any cost," in order to supply the North American market. See Hopwood, op cit, p.207. One former BSA production worker, Tony Jeffries, who worked at Small Heath during the 1960s, when interviewed for the BBC Radio Four Programme 'Magic Moments', recalled that the factory was "production mad." He claimed that it cost the company more money than it was worth to stop the production line to correct a problem and, in any case, BSA believed it could sell whatever it made in the USA, defects notwithstanding. The 'Magic Moments' programme was broadcast on 4 November 1992.

136. See 'BSA 650cc Lightning', May 1970, Cycle World, pp.71-75, contained in Cycle World on BSA - 1962-1972, Cobham, Surrey: Brooklands Book Distribution, 1987, and Smith op cit, p.36. Complaints from American dealers about weak frames on Triumph models had actually begun as early as 1960. Unreliable electrical components were also the bane of many owners of British motor cycles. See Brooke and Gaylin, op cit, pp.63-64 and p.80.

supply him with sufficient supplies of spare parts, nor was he able to "get the answers to their service problems."¹³⁷

In the face of increasing competition from the Japanese, the BSA Group Board decided to adopt a more aggressive manufacturing strategy. Although as late as September 1969 Chairman Turner had described the future of the British motor cycle as "selling at a premium price for widely recognised quality, rather as Jaguar does for cars," the company inexplicably shifted its emphasis back to the light and medium weight market segments. Instead of concentrating its efforts either on improving the existing heavyweight models, or, as Bert Hopwood had been vainly urging for years, to fundamentally redesign a new range of machines based on a 'modular' concept, the Board decided to take a gamble. A redesigned line of 13 separate models was prepared for the 1971 season. At the 1970 Annual General Meeting, Chairman Turner grandiosely claimed that they represented "the largest number of new machines ever introduced at one time by any motor cycle manufacturer anywhere."¹³⁸

In fact, the majority of these 'new' models were essentially the same as the ones which preceded them, barring some cosmetic changes.¹³⁹ The two exceptions were an entirely new

137. See 'Notes of a meeting of the motor cycle industry', held on 16 September 1970, contained in Guardbook MRC MSS 204/3/1/120.

138. See 'Britain's motor cycles fight to get off the starting line', by James Poole, Sunday Times, 14 September 1969, contained in newspaper clipping book MRC MSS 204/10/1/7. Hopwood, op cit, pp.93-199 and Chairman's Speech, delivered on 8 December 1970, MRC MSS 19A/4/48.

139. One later account of the 1971 range was that "the 'new' models were old ones titivated, though the improvements were substantial and it must always be arguable how much change is required to an old model before it can properly be described as a new one." See Ryerson, op cit, p.175.

350cc machine and the so-called "revolutionary" 50cc Ariel, a three wheeled moped. Backed by a £250,000 development programme, the lightweight Ariel, which was specifically targeted at 'beginners' and commuters, was designed to win back ground lost to the Japanese in both home and export markets. Despite the Small Heath factory's unresolved production problems, it was still believed that the Ariel alone would sell up to 40,000 units, including 20,000 in Britain. BSA was so optimistic about the potential of the new models that, during the course of a sales meeting held during September 1970 between dealers and manufacturers, a company representative actually claimed that it would produce 160,000 of all models during the 1971/1972 season.¹⁴⁰

In the event, the 1971 season was a complete disaster for BSA. Existing problems at both the Small Heath and Meriden factories were compounded by frequent changes in design specification, which reduced production schedules to a shambles. At Small Heath, in particular, the effort of producing the new models, even with (or perhaps because of) the new assembly equipment, was "probably too great an organisational strain."¹⁴¹ Consequently, few motor cycles were available when the crucial North American selling season

140. See 'Ariel fun', Financial Times, 27 June 1970, contained in newspaper clipping book MRC MSS 204/10/1/7, Shilton, op cit, pp.172-1973, Ryerson, op cit, p.168, document entitled 'Motor Cycle Division. Review of 1971/72 Sales Forecast', prepared by Cooper Brothers, dated 9 August 1971, p.13, contained in MRC MSS 19A/TB3 and 'Notes on a meeting of members of the motor cycle industry', dated 16 September 1970, contained in Guardbook MRC MSS 204/3/1/120.

141. See John Nelson, Bonnie, Sparkford: Haynes Publishing Group, 1989, pp.53-56 and Boston Consulting Group, op cit, Appendix 10, 'A Brief Description of the Production System of the British Motor Cycle Industry', p.206.

began the following spring. When they finally did arrive, the much vaunted 'new line-up' was a major disappointment. The seat height, on some models, for example, had been increased so that only the very tallest rider could sit in them comfortably. Because of problems in the factory, the 350cc model never appeared at all. The Ariel moped, which was supposed to challenge Japanese hegemony in the lightweight market, was a complete fiasco. Sloppy design work seems to have been the chief culprit. It could not, for example, be sold abroad because it failed to meet legal requirements for all but two countries. Even in Britain, where it was available, consumers greeted it with overpowering indifference. Only between 2,000 to 3,000 were sold and a 'Mark 2' version, with the many defects corrected, was never even attempted.¹⁴²

Lionel Jofeh left BSA in disgrace during July 1971 and Eric Turner followed him later in the year.¹⁴³ A new Board was created under the chairmanship of Lord Hartley Shawcross, which also included Bert Hopwood. Their challenge was daunting. The company had run up a staggering debit balance of £8.5 million along with an overdraft with British and American banks totalling £10 million. Although there were some signs of improvement, by 1973 hopes of Government funding, which was critical for the survival of BSA, was not forthcoming in sufficient amounts. Instead, the Heath

142. See Ryerson, op cit, pp.175-176, Hopwood, op cit, p.239 and pp.249-250, Smith, op cit, pp.36-37 and 'The Decline and Fall of the British Bike', by Tony Osman, op cit.

143. Jofeh left, however, with a generous 'golden handshake', amounting to £35,518. See untitled memo dated 7 July 1971, listed as item #362 in the BSA Collection at the Solihull Public Library.

Government brokered a sale of BSA to Manganese Bronze Holdings, owner of Norton-Villiers, even though BSA was by far the larger firm. The sale was ratified in July 1973, effectively leaving Britain with one remaining motor cycle manufacturer. The new firm, which was known as Norton-Villiers-Triumph (NVT), was not to be a notable success.¹⁴⁴

Events after the sale have been covered elsewhere.¹⁴⁵ In summary, by 1975, NVT had been brought to its knees by a combination of poor sales and a bitter labour dispute at the Triumph factory at Meriden, which the management had attempted to shut down, in order to concentrate production at the BSA and Norton factories. Although the government had poured money into the industry to prevent bankruptcy, the losses exceeded £20 million. In August 1975, having reviewed the findings of the Boston Consulting Group's Strategy Alternatives for the British Motor Cycle Industry, the Wilson government decided enough was enough and ceased financial support.¹⁴⁶

The workers at the Meriden factory succeeded in starting up a cooperative, with the assistance of Tony Benn, Secretary of State of Trade and Industry, which lasted until 1983,

144. See Chairman's Speeches, delivered on 15 December 1971 and 5 December 1972, contained in MRC MSS 19A/4/49 and 50 respectively. See also 'How the British Bikes Crashed', by Tom Lester, op cit.

145. See Smith op cit and Koerner op cit for for a general account of events after 1973 and especially Hopwood op cit, who describes the final years of BSA/Triumph in some detail. A more partisan account was written by NVT during the height of the Meriden factory takeover, see Norton-Villiers-Triumph, Meriden - Historical Summary - 1972-1974, London: Norton-Villiers-Triumph, 1974. See also Jock Bruce-Gardyne, op cit.

146. There was a debate in the House of Commons over the issue of the Report and the end of funding to the industry. See Hansard, [897], 1974/1975, 7 August 1975, cols. 734-777.

producing a small annual production of traditional heavyweight twin cylinder models. This was a remarkable achievement, considering the antiquated plant and motor cycle design available to them.¹⁴⁷ NVT carried on producing motor cycles, using the Norton name until 1977. There would be subsequent efforts to revive motor cycle manufacturing in Britain, including a resuscitation of Norton and the abortive Hesketh enterprise. In 1990, Triumph was re-launched under new ownership, producing the traditional heavyweight, sports motor cycles which had been so popular in Britain and around the world.¹⁴⁸ By 1975, however, the British motor cycle industry, as it had been known up until then, was dead.

147. See Martin Fairclough, 'The Political Economy of Producer Cooperatives: A Study of Triumph Motorcycles (Meriden) Ltd. and Britain's Industrial Decline', (unpublished Phd. dissertation), op cit.

148. See, for example, 'At long last, a Triumphant return to form' by Roland Brown, The Independent, 1 December 1990, 'Triumph accelerates down long road to recovery' by Martin Whitfield, ibid, 10 April 1993, 'Making a success out of Triumph' by Bill Goodwin, The Engineer, 14 October 1993 and 'The mild ones' by Justin Doebele, Forbes, 19 December 1994.

Conclusions.

The history of the British motor cycle industry between 1935 and 1975 presents a rather peculiar case of decline. It did not take the form of a consistent downwards trajectory, but instead occurred gradually and irregularly over time. Nor is it possible to advance any single explanation for the industry's ultimate destruction. There were several factors that underlay the course of events ending in the bankruptcy of 1975. These are highlighted in the three major phases through which the industry passed.

The first occurred as the industry adapted to the abrupt collapse of demand, both at home and abroad, after 1930. Manufacturers took a highly conservative approach to this crisis, concentrating on a loyal but limited market of essentially dedicated enthusiasts. Ironically, at the same time as the industry found security building motor cycles primarily in the medium to heavy weight classes, the motor car industry surged ahead, manufacturing economy vehicles in the low horse power ranges. Although motor cycle manufacturers had already been subject to much criticism from various quarters for their loyalty to the larger displacement motor cycles and their orientation to sports competition, none of the larger firms made any real effort to try and break out of the impasses presented by a contraction in the market. If the solution was to try and discover a new type of consumer, for the most part the industry was unwilling to find out whether or not he or she existed. It was usually left to the smaller scale producers to experiment with the lightweight models. Nevertheless, the manufacturers survived a very

difficult period, but their strategy did little to successfully prepare the industry for the future.

The second phase occurred during the years immediately after 1945, within the context of an artificially favourable commercial environment. Pre-war competitors had been put out of action, at least temporarily, leaving British motor cycle manufacturers with an unparalleled opportunity to consolidate their renewed international supremacy. However, when the industry came under pressure from the Attlee government to review and possibly modernise its operations, the leadership indignantly rejected any suggestion that their manufacturing programmes needed to be changed or they might be insufficiently prepared to meet revived foreign competition. The industry was a captive of its own preconceptions of what the market was and could see no reason why it should not continue as it had before. Sales of its products, especially the larger displacement, twin cylinder models, seemed to be strong, with little sign of slackening. Even though imported scooters and mopeds took over and vastly expanded the lightweight market by the mid-1950s, the British industry in general survived because these imports did not actually directly threaten its core market of the medium to heavyweight models. Equally significant, the manufacturers had developed the North American market which provided a substitute outlet for that part of their product either shut out of other export markets or that could not be sold in the numbers they had in Britain.

The third and final phase occurred in the face of Japanese competition during the 1960s. Limited by their self-imposed structural constraints, motor cycle manufacturers were unable to effectively react to the appearance of these new foreign

lightweights. Even after they had lost what was left of the home market with the implementation of the Anglo-Japanese Agreement, British manufacturers again found a substitute in the form of vastly increased exports to North America. As the British industry's last stronghold came under pressure from Japanese producers, BSA launched its ill-considered bid to try and re-enter the mid and lightweight market.

These three phases underscore several important factors which explain the decline of the British motor cycle industry. However, several factors should first be removed as significant causes of the industry's collapse. First, government policy was not as detrimental as the industry so frequently claimed. The manufacturers repeatedly failed to convince either the Board of Trade or the Ministry of Transport to grant the concessions they sought, particularly the removal of tax and regulations from lightweight motor cycles. This, the industry always maintained, was the reason it failed to produce a successful lightweight motor cycle. But, on the evidence, the industry consistently failed to provide the hard facts to substantiate its case.

Instead, the arguments were virtually always a matter of faith, amounting to the proposition that, if the lesser regulations and lower taxes worked on the Continent, then they must also work in Britain. This point ignored the internal circumstances which prevailed in these countries, specifically the matter of relative income levels. Moreover, even if the government had granted the concessions the industry wanted, it is highly problematic whether or not this would have actually worked to the benefit of domestic producers. Quite likely, had the concessions been granted, the

main beneficiaries would have been the distributors of imported mopeds, scooters and lightweight motor cycles.

Nor can the government be held responsible for the many export markets that were closed to the industry over the years because of tariffs, import quotas and sterling crises. British motor cycle manufacturers did not seem to appreciate the fact that only so much could be done in terms of representation by trade negotiators, especially in the face of foreign governments who were determined to protect their own vital interests. This was equally true with respect to the Argentines in 1936, to the Japanese after 1950 in fostering their own domestic industry, or to the Australians at various times, determined to preserve dwindling sterling reserves.

Secondly, worker militancy and trade union activity must be discounted as having any significantly detrimental effect on the industry. During most of the time covered by this dissertation, there is very little evidence of strike activity or other labour unrest. Indeed, other than a brief strike at Ariel Motors in 1944 and the six month strike at Norton Motors during 1956, there is no record of significant disturbance. Moreover, coming as it did during the middle of a severe sales recession, the Norton strike may not have been an entirely unwelcome development for the company management.

It is true that after 1965 Triumph was subject to fairly constant disruption because of work stoppages. However, it is also true that the company had other, equally troublesome but unrelated difficulties during this time. Additionally, one could argue that strike activity at the Meriden factory was associated, in large part, more with the atmosphere of militancy which

typified the Coventry engineering district during the 1960s than industrial relations in the motor cycle industry. More significantly, there were also persistent problems with the tardy deliveries of component supplies (which were, in turn, sometimes the result of strikes in that sector). Not the least, the design fiasco of the 1970/1971 season almost certainly inflicted far more damage on the company than any strike.

Finally, it has been suggested that lack of technical skill or education on the part of British management generally has been a severe handicap to industry.¹ Yet, on the evidence, this was not the situation in the motor cycle industry. Although managers rarely had formal, university educations, they were scarcely without technical knowledge. AMC Managing Director Donald Heather may have been singular insofar as he was a university trained engineer, but many of his colleagues were still highly respected for their technical knowledge, irrespective of whether they had acquired it through experience in the factories or through attending night school. For example, several industry executives presented papers at meetings of the Institution of Automotive Engineers and later at the Automotive Division of the Institution of Mechanical Engineers. Indeed, one of them became President of the latter organisation during the late 1950s.²

1. See Martin Wiener, English Culture and the Decline of the Industrial Spirit, 1850-1980, London: Penguin Books, 1987, especially pp.127-154.

2. See, for example, D.S. Heather (the future Managing Director of AMC), 'A Survey of Current Motorcycle Design', Proceedings of the Institution of Automobile Engineers Vol. XIII, pp.247-272, Edward Turner (who was Technical Director at BSA Cycles at the time, before he returned to Triumph Engineering as Managing Director), 'Post War Motor Cycle Development', ibid, Vol. XXXVII, 1942-1943, pp.135-154, Joe Craig (Development Engineer at AMC at the time, before returning to Norton Motors), 'Progress in Motor Cycle Engines - with some Notes on Combustion', ibid, Vol. XXXIX, 1944-1945, pp.91-114 and R.A. Wilson-Jones, B.Sc (Eng.), 'Years

They may have had a very conservative attitude to design and marketing but that did not necessarily make them uneducated. Indeed, the motor cycle industry is far more representative of the 'Practical Man' thesis than it is of a version of industry declining thanks to the inattention of languid would-be aristocrats.³ The real management problem was rather different, as indicated below.

A number of other factors have been identified during the course of this dissertation which are of greater significance in explaining the decline of the industry. The often poor state of coordination within BSA, the predominant firm, prevented it from taking the leading role its size and diversity warranted. Because of poor management at the Group level, the company was unable to pull together the separate but potentially mutually supporting subsidiaries. Under the direction of a more effective management, the ingredients were there for the company to have evolved into a powerful industrial combination. Instead, internal problems plagued the company throughout the period in question and must have hurt the efficiency of the motor cycle operations. The period between 1928 and 1932 when the company went through three chairmen in nearly as many years is indicative of this weakness. The company did well during the 1939-1945 war, but the disastrous tenure of Sir Bernard Docker, whose pre-occupation with the Daimler motor car subsidiary excluded any coherent forward planning and worked to the great disadvantage of

of Development', Proceedings of the Automobile Division of the Institution of Mechanical Engineers, 1958-1959, pp.1-20. Wilson-Jones was the Chief Engineer of Enfield Cycles and, at the time, Chairman of the Institution's Automobile Division Council.

3. See D.C. Coleman, 'Gentlemen and Players' Economic History Review, Vol. XXVI (1973), pp.93-116.

the entire Group. Although Sir Bernard was finally toppled by his fellow directors, who had tolerated his mismanagement for far too long, the company never really recovered.

Nor did it help that between the retirement of James Leek in 1956 and the appointment of Harry Sturgeon in 1964, there was no effective leadership at BSA's motor cycle operations, which were allowed to drift aimlessly. Subsequently, the catastrophic Eric Turner/Lionel Jofeh partnership pushed the entire Group into bankruptcy. While the lack of effective direction at BSA did not necessarily infect the other firms, the industry leadership which one could have reasonably been expected from the company was seriously compromised. Furthermore, the kind of management exercised by Docker, Eric Turner and Jofeh raise questions about the amount of discretion granted to senior company executives. It may legitimately be asked why so little was done by other Board members or by the shareholders to correct this sort of activity.

Another critical factor is the concept of their market which was held by senior management in general. Excepting those noted above, these men were as a rule, competent managers, albeit with a very narrow view of what they conceived as the typical consumer. It could be argued that their manufacturing strategy, especially during the 1930s, was very conservative but had at least kept the industry afloat through some very difficult times. Yet it could also be argued with equal force that they had failed through their reluctance to at least explore the potentialities of the economy ('Everyman') motor cycle of the pre-war era. In contrast to the motor car industry, their inability to broaden the market by discovering new consumers, such as women, is

striking. A new market may or may not have existed in the 1930s, but it was this kind of mentality which was to result in their inability to either grasp the opportunities open after the war or react effectively to the challenges posed by Italian scooters, French mopeds and then Japanese lightweight motor cycles.

A further illustration of this weakness is the industry's intense involvement with motor cycle sport. In isolation, this was not an entirely bad or harmful commitment, as Honda's experience would demonstrate. Nor did the high profile accorded to the sport entirely match the reality, at least in terms of the way it was portrayed to the public. As the astute columnist Francis Jones noted:

One is apt to think of the TT as a sporting event that the trade happens to find worth while to patronise. But it is more accurate to consider it as a trade event that happens to be of a sporting character... The ultimate purpose of the [race] meetings is to sell motor cycles.⁴

In fact, the sporting events had two very practical functions. First, they provided commercial opportunities in their own right, allowing advertising and raising the prestige of British motor cycles in foreign markets.⁵ Secondly, they acted as a forum for research and development, the extreme conditions prevailing on the racetrack being thought an ideal way to improve and refine design and mechanical reliability. Many in the industry believed it was essential that, from the shop floor to the Board room, all should share a strong commitment to motor cycling and motor cycle

4. See Francis Jones, 'Motor Cycle Matters', The Motor Cycle and Cycle Trader, 15 June 1951, p.164.

5. A point well understood by the trade press. According to one journal: "Past racing successes have done much to build and maintain the supremacy of the British sports motor cycle, and its racebred precision has brought it admirers in every overseas country." See leading article, 'Selling for sport', The Export Trader, June 1947, p.167.

sport. As AMC's Donald Heather observed, this was an industry which was convinced that "as motor cycles are sold to enthusiasts they can only be built successfully by enthusiasts."

Unfortunately, the pre-occupation with sports events came at an expensive price. Once more, virtually by definition, it meant that the industry placed another self-imposed limitation upon its market. It created a deep impression of the 'typical' consumer, which was continually reinforced every time the managers attended a sports event. Even so, many in senior positions in the industry thought that this was an ideal way for them keep in touch with the market. This outlook was manifested in other ways as well. J.M. West, AMC Sales Director, believed that an important aspect of his job was to regularly attend owners' club meetings in order to maintain close contact with his firm's core market. No doubt these types of encounters strengthened loyalty to the marque and resulted in frequent exchanges of very helpful information about the strengths and weaknesses of particular models, but was this the best way to learn about how to sell motor cycles to non-enthusiasts or to explore ways to expand the existing market?⁶

In the final analysis, racing was largely enjoyed by those who were already convinced enthusiasts but it had little or no attraction to those that simply wanted cheap transport and nothing else. It may well have been the case that, as one advertising slogan went, 'racing improves the breed'; but it also created a very specialised breed, with a limited application. It

6. J.M. West interview, 23 November 1994. This is not to suggest that West's practice of attending such club meetings was exceptional. No doubt it was also followed by others in comparable positions.

is far from certain whether or not experience on the race track provided any significant help in the development of a better commuter machine, whose virtues needed to be simplicity, ease of maintenance and economy.

Moreover, the commitment to sport also inhibited flexibility on the part of the manufacturers. The Velocette LE, for example, was a good example of a what an economical commuting model looked like when produced by a company that was owned and managed by enthusiasts. A piece of sound engineering, without the slightest doubt, it was, however, a machine which simply did not appeal to a wider group of consumers. Indeed, in stark contrast with its foreign competitors, the history of the British motor cycle industry is littered with various failed attempts to create an attractive lightweight machine. Starting with the abortive scooter experiments of the 1920s, continuing with the BSA 'Dandy' and 'Beagle' of the 1950s and 1960s and ending with the Ariel 'Three' fiasco, the industry was unable to get the formula right and lacked the persistence to keep on trying until it did. The BSA Bantam superficially contradicts this argument, but it originated from Germany not Britain. The industry is best remembered for its heavyweight, sports oriented machines, such as the Triumph 'Speed Twin' (and subsequent derivatives), the Norton 'Dominator', the BSA 'Gold Star' and the Vincent 'Black Shadow'. There is very little room in the industry's pantheon of fame for the humble economy models.⁷

7. The machines on display at the National Motor Cycle Museum is a case in point. It has been observed, for example, that the collection there "is heavily weighted in favor of large, glamorous machines and small utilitarian cycles are seriously underrepresented." See Rudi Volti, 'Exhibit Reviews. The National Motor Cycle Museum, Birmingham, England.' Technology and Culture, January 1987, p.97.

There were other drawbacks stemming from the industry's infatuation with the race track. The orientation to the larger sports machines meant that the industry consistently manufactured precisely the kind of motor cycle which most antagonised the public and the government. It was these fast, often noisy machines which were most likely to involve their operators in accidents. All this brought the entire industry into disrepute and created an image of motor cycles and motor cyclists which relentlessly dogged the industry from its earliest days to its last. There may have been some short-term gain in this respect. It did, for example, give motor cycling an image of danger and risk which doubtless helped sales among a certain type of consumer. However, this advantage must be balanced against the damage that was done to the industry's relations with Government ministers and civil servants during its attempts to have tax and regulations changed.

Several additional points should also be stressed. The failure of the industry to master consistent quality control was an important problem which continued to damage manufacturers. In part, this was the price paid for insufficient investment in modern plant, which burdened the industry with another deep seated weakness. As Smith notes, one of the chief characteristics of British motor cycle factories was the fact that their products were "hand assembled and fitted."⁸ This, in turn, reflected the importance that the industry assigned to the concept of craftsmanship, a quality considered central to British motor cycle manufacturing. The end result was a reluctance to

8. "The fitting being essential when components did not fit together automatically but needed careful adjustment and filing down." See Smith, op cit, p.23.

convert the industry to larger scale production. Managers had an aversion to building motor cycles in any way other than by their traditional crafts based methods. Norton's reluctance before 1939 to build motor cycles on a track assembly line is a case in point. There were also those who believed, even well after 1945, that motor cycles, unlike motor cars, were inherently unsuited for assembly line production.⁹

This stubborn resistance to larger scale assembly techniques is highlighted in the case of the 'Power-Pak' (a small clip-on engine unit made for use on bicycles and popular in early 1950s). This machine would seem to have been a particularly ideal candidate for larger scale production. Significantly, when it was advertised, the manufacturer chose to stress the fact that it was built using decidedly old-fashioned techniques. As the ad text read: "The Power-Pak is not mass produced. It is the only bicycle motor that is handbuilt. Every motor is individually tuned and tested."¹⁰

One must be wary of how manufacturers defined concepts such as 'handbuilt'. It does not, for example, necessarily mean the same thing as 'craftsmanship'. In view of the industry's long-standing quality control problems, it could just as easily be an excuse for antiquated factory plant and work practices.¹¹ The

9. One popular journalist actually argued that a motor cycle could not, by its very nature, be adapted to a modern assembly track because it was "too small for more than two men to cluster over it at one time." See 'Ixion', 'Mass produced motor cycle', The Motor Cycle, 1 January 1953, p.3.

10. The ad is contained in a separate leaflet attached to The Motor Cycle and Cycle Trader, 31 October 1953. A story contained in the same issue described how a Power-Pak was being ridden around the world by an ex-Chindit, as part of a publicity campaign designed to emphasise the robust construction of this machine. See 'Lee-Warner back from his world tour', ibid.

11. As Neil Cossons, director of the Science Museum has commented: "British craftsmanship is one of the weights around

essential point, however, is that British motor cycle manufacturers did not place any great emphasis on developing a trouble-free machine. Nor did this seem to cause them much concern. After all, even if their motor cycles required close and regular maintenance, that was scarcely a drawback for the kind of consumer who was thought to cheerfully take up spanner and screwdriver without a moment's hesitation.

The matter of design and the lack of professional designers is yet another problem for the industry. Frequently, this work was performed by senior managers, more particularly by executives such as the Collier brothers who had come into the industry at the beginning. On occasion, this practice was used as a form of advertising. In 1953, for example, when Triumph launched a new model, the factory arranged for Managing Director Edward Turner, accompanied by the Works and Service Directors, to ride three of these machines from Land's End to John O'Groats. An ad was designed around this event, with potential owners assured that this motor cycle had been field tested by "The man who designed it, the man who made it and the man who will service it."¹²

Many benefits probably resulted from the close association of senior management with design work. However, one industry commentator noted that there were also shortcomings implicit in this relationship:

The industry had been built up by gaffers who designed, made, developed and rode. Inevitably, the gaffers are a dying race and, perhaps, because they had largely

the neck of British industry. Craftsmanship is an excuse for things not working. It is hand-made therefore it is better. Actually, if it's handmade its almost inevitably inconsistent and may well not work." See The Guardian, 17 February 1992.

12. See Davies, op cit, pp.186-192.

kept matters in their own hands, there was today a shortage on the design and development sides.¹³

Finally, it was the inability of British motor cycle manufacturers to develop skills in larger scale production engineering which caused a common weakness throughout the industry. During the 1950s, the industry reached an annual production plateau of between 150,000 and 200,000 units, a level at which the various firms could comfortably manufacture. Manufacturers appeared willing to trade off their ability to increase production for lower investment in plant capacity. Alternatively, since the manufacturers made their profits more from the higher prices they were able to charge for the larger capacity motor cycles, there was no pressing incentive to improve productivity.¹⁴

Ultimately, the failure to enter larger volume production cost the industry dear. BSA, for example, which had nearly always used less than 100 per cent of its manufacturing capacity, floundered after the mid-1960s when it tried to overhaul its Small Heath factory in order to substantially increase output. The concept may have been sound, based on experience in the motor car industry, but it went seriously adrift in the execution. The disappointing results seem to have been mainly caused by sheer incompetence, particularly on the part of Motor Cycle Division

13. See 'Motor cycle design of today and tomorrow' [a precis of a paper delivered by Arthur Bourne, editor of The Motor Cycle, to a London meeting of the Automotive Division of the Institution of Mechanical Engineers], The Motor Cycle, 6 November 1947, pp.354-355.

14. As AMC Sales Director J.M. West recalled: "A 250cc showed no profit, 350cc a reasonable amount and 500cc, which cost little more than a 350cc made a substantial profit." See letter, J.M. West to the author, 16 April 1995. BSA's Production Manager John Balder observed that the company's main profits were in the larger displacement machines, and "that coloured everything." John Balder interview, 18 November 1994.

Managing Director Lionel Jofeh, but such was the extent of failure that this must have extended beyond one individual.

It has been the central thesis of this dissertation that the British motor cycle industry collapsed primarily because of the implications arising from its inability to develop a successful lightweight 'economy' model. Because of the nature of the home market, it was, virtually from birth, a producer of larger displacement models. Unlike its counterparts on the Continent or Japan, there was a much weaker tradition of building lightweight machines. Thus, British motor cycle manufacturers were never able, nor did they ever seriously try, to develop an two-wheeled equivalent of the Austin Seven, Morris Minor or the Mini. This failure did much to determine their long-term future.

The foregoing provides an historical explanation for what the Boston Consulting Group has identified as 'segment retreat' which led to the destruction of the industry and also presents a case study of British de-industrialisation, even if only on a small scale. It has been the intention of this dissertation to show that the decline of the industry was the manifestation of a series of constraints created by the manufacturers themselves, which had been in existence long before the appearance of Japanese competitors. It may well be that the 'segment retreat' was not inevitable. Nor was it unique to the motor cycle industry.¹⁵ However, over time, it was the cumulation of these self-inflicted wounds that destroyed the industry.

15. As early as the nineteenth century, it has been noted that British industry in general, when "faced with a challenge, [found it] easier and cheaper to retreat ... rather than to meet competition face to face." See E.J. Hobsbawm, Industry and Empire, London: Penguin Books, 1979, p.191.

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Mr. Palin was Director of the British Cycle and Motor Cycle Manufacturers and Traders' Union and the subsequently the British Motor Cycle and Cycle Industries Association between 1953 and 1966.

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Appendix 1

Table I	British motor cycle registrations, production, imports and exports, 1919-1939.
Table II	British motor car production, registrations, exports and imports, 1919-1938.
Table III	Motor cycles registered during the year ended 30 September, 1933-1938.
Table IV	Type of BSA motor cycle sold, by displacement size, 1929 to 1938.
Table V	Production totals for the three major motor cycle manufacturing nations.
Table VI	Motor cycle combination and Austin Seven prices compared, 1922-1928.
Table VII	Comparisons of prices of new motor cycle combinations with second hand cars: selected years.
Table VIII	British motor cycle exports, 1929-1938.
Table IX	British exports to selected markets, 1925-1938.
Table X	British and German motor cycle exports, 1933-1937.
Table XI	Advertizing expenditure by the cycle, motor cycle and motor car industries, 1935-1935.
Table XII	British motor cycle production between September 1939 December 1944.
Table XIII	British road accident fatalities, 1950-1960.
Table XIV	Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1946 and 1952.
Table XV	British motor cycle exports, 1945 to 1951.
Table XVI	British motor cycle exports to the USA, Canada and Australia - 1951 to 1964.
Table XVII	British exports to selected markets, 1945-1950, 1958 and 1959.
Table XVIII	British motor cycle registrations, production, imports and exports, 1945-1975.
Table XIX	Comparative prices, British and imported scooters and lightweight motor cycles.
Table XX	Motor car production, registrations, 1945-1975.

Table XXI	Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1951 and 1955.
Table XXII	Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1956 and 1959.
Table XXIII	Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1960 and 1962.
Table XXIV	Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1963 and 1966.
Table XXV	British imports of two-wheeled motorised vehicles 1955-1966.
Table XXVI	U.S. total motorcycle registrations, 1945-1980.

A Note on Statistics.

The data contained in the following statistical tables is drawn primarily from materials produced by either the BCMCMTU/BCMCI A or the Board of Trade.

The figures do not always agree and, in instances of inconsistency, those from the former source will prevail.

Table I

British Motor Cycle Registrations, Production, Imports and Exports, 1919-1939.

	<u>Registrations</u>	<u>Production</u>	<u>Exports</u>	<u>Imports</u>
1919.	114,722	65,000	8,330	1,481
1920.	287,739	100,000	21,304	4,277
1921.	373,200	80,000	8,104	2,130
1922.	377,943	60,000	7,280	965
1923.	430,138	80,000	16,156	1,011
1924.	495,579	110,000	37,911	402
1925.	558,911	120,000	47,114	867
1926.	628,955	120,000	48,121	75
1927.	681,410	160,000	53,000	149
1928.	712,583	145,000	59,906	76
1929.	731,298	147,000	62,377	103
1930	724,319	126,500	42,689	236
1931.	626,649	74,700	23,247	108
1932.	599,904	70,400	19,537	16
1933.	562,656	52,200	17,731	16
1934.	548,461	58,500	16,807	20
1935.	521,128	64,700	18,000	0
1936.	510,242	55,200	20,500	0
1937.	491,718	82,014	25,400	200
1938.	499,265	65,100	19,800	200
1939.	n/a	66,400	18,900	100

(Sources: BCMCMTU, Review of the British Cycle and Motor Cycle Industry 1935; Michael Miller, The British Motor-Cycle Industry before 1939 (unpublished) and the SMMT, The Motor Industry of Great Britain, 1939).

Table II

British Motor Car Production, Registrations, Exports and Imports,
1919-1938:

	<u>Registrations</u>	<u>Production</u>	<u>Exports</u>	<u>Imports</u>
1919	109,715	n/a	n/a	n/a
1920	186,801	n/a	4,294	n/a
1921	245,882	n/a	1,966	n/a
1922	319,311	n/a	1,338	12,992
1923	389,767	71,396	3,256	14,429
1924	482,356	116,600	11,007	10,800
1925	590,156	132,000	17,771	31,781
1926	695,634	153,500	14,858	10,923
1927	800,112	164,553	16,139	18,194
1928	900,557	165,352	18,192	22,582
1929	998,489	182,347	23,891	21,520
1930	1,075,081	169,669	19,226	9,751
1931	1,103,715	158,997	17,104	2,118
1932	1,149,231	171,244	26,942	2,762
1933	1,226,541	220,779	33,802	3,619
1934	1,333,590	256,866	34,877	10,851
1935	1,505,019	311,544	44,193	13,563
1936	1,675,104	353,838	51,173	12,323
1937	1,834,248	389,633	53,655	18,609
1938	1,984,430	342,390	44,130	n/a

Source: The Motor Industry of Great Britain, SMMT, 1939.

Table III

Motor Cycles Registered During the Year ending September 30.

	1933	1934	1935	1936	1937	1938
Solo motor cycles:						
up to 150cc	21,068	25,703	27,124	30,703	31,809	32,867
150cc-250cc	131,706	137,193	134,904	136,500	135,469	131,620
over 250cc	244,554	220,608	197,319	188,913	182,873	172,964
Combo units:						
up to 150cc	24	13	27	45	58	51
150cc-250cc	1,315	1,634	1,241	1,295	996	930
over 250cc	144,636	140,589	131,041	124,159	114,999	105,219
Tricycles	19,353	22,716	24,911	24,165	21,374	18,724
Total	562,656	548,461	516,567	505,779	487,578	462,375

Source: Ministry of Transport's "Return showing the number of mechanically-propelled vehicles registered for the first time under the Road Act, 1926".

Table IV

Type of BSA motor cycle sold, by displacement size, 1929 to 1938.

	<u>Up to 150cc</u>	<u>150 to 250cc</u>	<u>Over 250cc</u>	<u>Total</u>
1926	nil	11,057	18,042	29,099
1927	nil	8,878	19,125	28,003
1928	nil	4,851	14,927	19,778
1929*	nil	4,884	18,871	23,755
1930	nil	6,320	18,713	25,033
1931	nil	1,880	10,514	12,394
1932	nil	357	12,216	12,573
1933	nil	3,455	7,524	10,979
1934	1,501	5,995	7,532	15,028
1935	776	5,118	7,836	13,730
1936	650	6,593	8,848	16,091
1937	9	6,679	11,875	18,563
1938	2	4,759	8,824	13,585

* First nine months of 1929 only.

Source: MSS 19A/2/37. (Modern Records Centre)

Table V

Production Totals for the Three Major Motor Cycle Manufacturing Nations.

	1925	1929	1933.	1935	1937
Britain	120,000	146,700	52,200	63,100	82,014
Germany	55,980	201,000	53,400	123,100	171,239
USA	45,000	31,900	7,400	14,110	17,700

Source: Review of the British Cycle and Motor Cycle Industry, Coventry: BCMCMTU, 1925; Imperial Economic Committee, Thirtieth Report, Survey of the Trade in Motor Vehicles. London: HMSO, 1936; US Strategic Bombing Survey, German Motor Vehicle Industry, Washington, Munitions Division, 1947; Harry Sucher, Harley-Davidson - The Milwaukee Marvel, Sparkford: Haynes Publishing Group Ltd., 1990 and The Iron Redskin, Sparkford: Haynes Publishing Group Ltd., 1990.

Table VI

Motor Cycle Combination and Austin Seven Prices
compared 1922-1928.

<u>Year</u>	<u>Austin Seven £</u>	<u>BSA 550cc £</u>	<u>Triumph 550cc £</u>	<u>Ariel 500cc £</u>
1922	225	142	155	125
1923	165	100	115 17s	107
1924	155	85 10s	107	90
1925	141	87	88 5s	77 10s
1926	145	74	82 17s	71 10s
1927	145	n/a	67 12s	71 10s
1928	125	66 10s	-	66 10s

Source: Herbert Austin. The British Motor Car Industry to 1941
 by Roy Church. London: Europa Publications, 1979.

Table VII

Comparisons of Prices of New Motor-Cycle Combinations with
Second Hand Cars: Selected Years.

<u>Sales Season</u>	<u>1929/30</u>	<u>1932/32</u>	<u>1934/34</u>	<u>1936/37</u>
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Comparison I.

1. Price of a new 350cc Combination	£63.3	£64.7	£66.0	£68.1
2. Price of a 2 year old 8 hp car.	£81.2	£73.1	£66.1	£66.6

Comparison II.

1. Price of a new 500cc Combination.	-	£72.9	£74.7	£79.3
2. Price of a 3 year old car not exceeding 10 hp.	-	£72.2	£65.4	£68.5
Ratio: 2:1	n/a	.99	.88	.86

Source: M. Miller, The British Motor-Cycle Industry Before 1939.

Table VIII

British Motor Cycle Exports 1929-1938:

	<u>Aust/NZ</u>	<u>Europe</u>	<u>N/S Am.</u>	<u>Other.</u>	<u>Total.</u>
1929.	15,170.	28,934.	839.	17,434.	62,377.
1931.	1,231.	11,763.	834.	9,419.	23,247.
1933.	2,749.	6,128.	1,173.	7,681.	17,731.
1935.	5,985.	4,473.	647.	6,969.	18,074.
1937.	10,833.	6,197.	1,177.	7,143.	25,350.
1939.	5,526.	7,569.	1,121.	4,739.	18,955.

Source: MSS 204/13/1/1. (Modern Records Centre)

Table IX

British exports to selected markets, 1925-1938.

	Australia	Holland	Switz.	Sweden	Germany	India	USA	Canada	Total
1925	10,233	1,183	1,591	765	2,751	1,386	0	22	47,114
1928	8,724	1,298	3,648	4,279	6,111	1,902	43	126	59,906
1929	11,597	1,826	2,853	2,853	5,410	1,963	56	378	62,377
1930	5,314	1,891	2,065	2,940	2,429	1,570	47	433	42,689
1935	5,060	1,410	258	253	131	618	61	394	18,074
1936	7,298	1,350	132	285	212	379	92	402	20,460
1937	8,568	739	77	321	292	628	166	572	25,350
1938	6,344	1,156	99	348	338	719	114	362	19,769

Total sales of British motor cycles to Empire and Dominion markets:

1935	10,827
1936	13,599
1937	15,824
1938	11,487.

Source: MSS 204/13/1/1. (Modern Records Centre)

Table X

British and German Motor Cycle Exports, 1933-1937.

	British.		German.	
	No.	£	No.	£
1933	17,731.	670,712.	2,006.	64,090.
1934.	16,497.	648,998.	1,904.	75,999.
1935.	18,074.	701,938.	5,702.	179,682.
1936.	20,460.	799,414.	14,612.	377,736.
<u>1937.</u>	<u>25,350.</u>	<u>1,026,776.</u>	<u>31,708.</u>	<u>596,246.</u>

Source: Memo 47/38: Germany: Export Trade in Bicycles and Motor Cycles. BCMCMTU Guardbook, MSS 204/3/1/44. (Modern Records Centre)

Table XI

Advertizing expenditure by the Cycle, Motor Cycle and Motor Car Industries, 1935-1938.

	1935.	1936.	1937.	1938.
Cycles.	£160,985	£200,446	£223,335	£173,912
Motor Cycles.	£36,441	£38,821	£39,206	£34,823
Motor Cars.	£901,089	£877,141	£911,726	£853,799

(Source: Statistical Review of Advertising, 1935-1938).

Table XII

British Motor Cycle Production between September/1939 to December 1944.

	Sept 39/ Dec 40	1941	1942	1943	1944	total
Ariel	4,098	7,197	8,946	8,792	7,527	35,560
AMC	10,556	12,812	16,435	16,726	14,567	71,096
BSA	24,758	21,758	21,876	19,753	18,427	106,572
Enfield	8,422	9,199	9,637	8,960	10,354	46,572
Excelsior	-	-	636	3,205	-	3,841
James	-	-	-	2,222	2,610	4,832
Norton	23,880	18,924	15,112	10,814	9,553	78,283
Triumph	9,018	840	2,563	8,246	10,709	31,376
Velo	666	554	797	130	-	2,147
Misc.	-	19	-	966	451	1,436
Grand Total.	81,398	71,303	76,002	79,814	74,198	382,715

[NOTE: these figures may or may not include civilian production destined for dollar export countries].

Source: PRO AVIA 46/192.

Table XIII

British Road accident fatalities, 1950-1960.

	Pedest.	pedal cyclists	TWMV*	Others	Total
1950	2,251	805	1,129	827	5,021
1951	2,398	800	1,175	877	5,250
1952	2,063	743	1,142	748	4,706
1953	2,233	720	1,237	900	5,090
1954	2,226	696	1,148	940	5,010
1955	2,287	708	1,362	1,169	5,526
1956	2,270	650	1,250	1,197	5,367
1957	2,225	663	1,425	1,237	5,550
1958	2,408	668	1,421	1,473	5,970
1959	2,520	738	1,680	1,582	6,520
1960	2,708	679	1,743	1,840	6,970

* Twin wheeled motor vehicles.

Source: Department of Transport Road Accidents, Great Britain 1992. London: HMSO, 1992.

Table XIV

Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1946 and 1952.

	<u>1946</u>	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>
Capacity							
solo							
units:							
under 60cc							
60-150cc	77,349	87,332	97,195	129,890	29,297	79,473	120,472
150-250cc	114,735	118,779	113,493	126,568	157,677	178,755	205,914
Over 250cc	183,744	222,907	245,121	281,286	130,191	129,156	138,765
					305,885	314,871	326,448
Total solo:	375,828	429,018	455,809	537,744	623,050	702,255	791,599
Combo units:	73,521	84,594	87,000	96,727	106,370	120,316	130,229
Tricycles and others:	12,965	14,824	14,462	19,099	22,292	25,192	26,999
Grand Total:	462,327	528,415	559,313	653,635	751,738.	847,801	948,860

Source: Ministry of Transport, Return showing the number of Mechanically-Propelled Vehicles.

Table XV

British Motor Cycles Exports, 1945 to 1951.

	Aust/NZ	Europe	USA	Canada	Other	Subtotal	Total.
1945	626	1,560	283	20	1,459	3,948	3,948.
1946	6,438	12,492	8,199	1,238	19,861	48,228 (5,248)	54,889
1947	9,971	29,366	9,933	1,612	19,340	48,706 (6,661).	55,367
1948	17,413	8,759	7,670	2,389	29,062	65,293 (9,843)	75,136
1949	24,501	6,664	3,001	3,959	18,597	56,722 (8,547)	65,269
1950.	23,348	13,705	8,535	5,098	17,685	68,377 (5,588)	73,965
1951	28,377	19,287	8,185	2,876	28,316	87,041 (4,658)	91,699
1959	2,535	7,769	12,834	1,387	18,160	n/a	42,685.

[Figures in brackets indicate total exports of motor cycles of less than 100cc capacity].

Source: MRC, MSS 204/13/1/1.

Table XVI

British Motor Cycle Exports to the USA, Canada and Australia -
1951 to 1964.

	USA	Canada	Australia
1951	8,195	2,876	n/a
1952	7,095	1,407	6,872
1953	5,136	2,031	6,678
1954	8,172	1,595	9,474
1955	9,598	1,196	6,692
1956	13,651	2,562	3,925
1957	12,383	1,411	4,490
1958	10,601	1,228	2,271
1959	12,834	1,387	1,921
1960	12,285	1,043	1,632
1961	7,998	741	932
1962	10,022	642	1,090
1963	14,898	702	1,236
1964	20,977	596	813

Source: Data contained in MSS 204/13/1 and various issues of the BCCMCMTU and BCMCIA Quarterly Reports. (Modern Records Centre)

Table XVII

British exports to selected markets, 1945-1950, 1958 and 1959.

	<u>Australia</u>	<u>Holland</u>	<u>Switz.</u>	<u>Sweden</u>	<u>Denmark</u>	<u>India</u>	<u>USA</u>	<u>Canada,</u>
1945	619	893	2	14	61	128	283	20
1946	5,808	3,642	910	1,950	3,000	2,887	9,044	1,414
1947	9,295	113	2,424	2,261	75	3,284	10,232	2,171
1948	18,880	1,495	4,381	804	321	3,158	8,178	3,790
1949	25,107	1,468	3,541	299	591	2,542	4,267	5,404
1950	22,171	2,097	4,448	3,653	480	1,419	8,582	6,225
1958	2,271	343	164	693	116	2,784	10,601	1,228
1959	1,921	321	228	423	178	3,136	12,834	1,387

Source: MSS 204/10/1/1. (Modern Records Centre)

Table XVIII

British Motor Cycle Registrations, Production, Imports and Exports, 1945-1975.

	Registrations.	Production.	Imports.	Exports.
1945	312,844	49,000	n/a	3,948
1946	467,058	84,200	n/a	54,900
1947	533,783	116,600	n/a	55,350
1948	560,107	130,800	n/a	75,136
1949	655,200	154,800	n/a	65,270
1950	761,500	171,300	n/a	74,000
1951	859,034	171,700	n/a	91,700
1952	962,210	153,000	1,600	70,300
1953	1,052,864	153,000	2,400	63,100
1954	1,256,568	184,100	10,900	70,300
1955	1,276,894	182,600	59,900	60,700
1956	1,349,282	126,700	48,200	58,800
1957	1,497,050	175,000	115,000	50,400
1958	1,546,183	139,700	75,500	36,700
1959	1,764,535	234,300	173,000	42,700
1960	1,795,000	193,600	134,700	44,100
1961	1,790,000	144,200	82,100	32,700
1962	1,779,000	99,800	69,300	29,000
1963	1,755,000	101,300	146,700	32,400
1964	1,741,000	99,600	186,200	34,300
1965	1,612,000	95,200	81,300	44,500
1966	1,407,000	94,700	48,700	60,700
1967	1,350,000	94,800	90,400	57,000
1968	1,228,000	84,000	111,700	65,900
1969	1,128,00	71,200	43,200	60,200
1970	1,048,000	69,800	76,700	56,400
1971	1,033,150	85,500	119,500	48,100
1972	1,075,770	43,600	165,400	46,300
1973	1,122,820	55,100	202,700	49,700
1974	1,154,461	27,400	243,600	23,600
1975	1,281,576	26,900	278,600	21,000

Source: SMMT, The Motor Industry of Great Britain, 1976 and data provided by the Motor Cycle Retailers' Association.

Table IXX

Comparative Prices, British and Imported scooters and lightweight motor cycles:

Scooters:

<u>British</u>	<u>Foreign</u>
Britax 'Scooterette' (48cc)* £99	Vespa (125cc) £158
DMW 'Dolomite' (249cc) £240	Lambretta (123cc) £149
Dayton 'Albatross' (224cc) £182.	Zundapp 'Bella' (148cc) £170

Prices of selected British-built light weight motor cycles.

BSA 'Bantam', (123cc) £81.
 BSA 'C10' (250cc) £256.
 Excelsior 'Consort F4' (98cc) £66.
 Francis-Barnett 'Falcon' (98cc) £127
 Royal Enfield 'Ensign' (148cc) £93.
 Triumph 'Tiger Cub' (149cc) £127
 Velocette 'LE' (192cc) £163.

Source: 'Buyers' Guide', contained in The Motor Cycle, 18 November 1954.

* This model used an imported engine unit.

Table XX

Motor Car Production and Registrations, 1945-1975.

	<u>Production</u>	<u>Registrations</u>
1945	16,938	1,521,581
1946	219,162	1,807,067
1947	287,000	1,983,505
1948	334,815	2,002,201
1949	412,290	2,178,411
1950	522,515	2,307,379
1951	475,919	2,433,172
1952	448,000	2,564,686
1953	594,808	2,824,789
1954	769,165	3,172,869
1955	897,560	3,609,400
1956	707,594	3,980,511
1957	860,842	4,282,438
1958	1,051,551	4,651,021
1959	1,189,943	5,080,510
1960	1,352,728	5,650,461
1961	1,003,967	6,113,764
1962	1,249,426	6,706,159
1963	1,607,939	7,546,650
1964	1,867,640	8,436,193
1965	1,772,045	9,131,075
1966	1,603,679	9,746,887
1967	1,552,013	10,554,193
1968	1,815,936	11,078,000
1969	1,717,073	11,504,300
1970	1,640,966	11,801,780
1971	1,741,940	12,357,870
1972	1,921,311	13,022,760
1973	1,747,321	13,815,000
1974	1,534,119	13,947,934
1975	1,267,695	14,060,973

Source: SMMT: The Motor Industry of Great Britain, 1976.

Table XXI

Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1951 and 1955.

	1951	1952	1953	1954	1955
Capacity					
solo units:					
under 60cc	79,473	120,472	153,919	191,732	227,173
60-150cc	178,755	205,914	224,856	254,170	287,340
150-250cc	129,156	138,765	150,774	166,351	191,227
Over 250cc	314,871	326,448	338,935	344,075	354,419
Total solo:	702,255	791,599	868,484	956,328	1,060,159
Combo units:	120,316	130,229	140,671	151,506	160,827
Tricycles and others:	25,192	26,999	28,384	30,786	34,880
Grand Total:	847,801	948,860	1,037,362	1,138,629	1,148,310

Source: Ministry of Transport, Return showing the number of Mechanically-Propelled Vehicles.

Table XXII

Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1956 and 1959.

	1956	1957	1958	1959
Capacity				
solo units:				
under 60cc	246,443	283,608	272,795	347,307
60-150cc	321,513	404,167	446,944	534,552
150-250cc	210,703	232,396	256,920	304,697
250-350cc	168,905	165,662	157,926	152,822
350-500cc	137,612	135,291	128,063	124,167
500cc +	46,271	49,645	54,298	59,787
Total solo:	1,131,447	1,270,769	1,316,946	1,523,332
Combo units:	158,446	160,376	158,142	155,276
Tricycles and others:	36,306	40,238	44,834	54,723
Grand Total:	1,326,210	1,471,292	1,519,935	1,733,342

Source: Ministry of Transport, Return showing the number of Mechanically-Propelled Vehicles.

Table XXIII

Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1960 and 1962.

	1960	1961	1962
Capacity			
solo units:			
under 50cc	388,050	396,100	397,400
50-150cc	581,327	590,000	604,100
150-200cc	176,915	195,400	198,100
200-250cc	179,190	193,500	193,400
250-350cc	140,210	113,200	102,900
350-500cc	117,287	97,800	86,400
500cc+	67,098	66,700	63,500
Total solo:	1,650,077	1,652,700	1,645,800
Combo units:	145,464	137,500	133,500
Tricycles and others:	65,692	78,400	86,400
Grand Total:	1,795,555	1,790,200	1,866,000

Source: Ministry of Transport, Return showing the number of Mechanically-Propelled Vehicles.

Table XXIV

Number of motor cycles for which licences were current at any time during the quarter ending 30th September, between 1963 and 1966.

	1963	1964	1965	1966
Capacity				
solo units:				
under 50cc	434,700	497,00	500,300	464,000
50-150cc	580,600	566,000	515,100	445,000
150-200cc	196,400	191,000	180,500	161,000
200-250cc	194,000	180,000	158,600	131,000
250-350cc	91,200	76,700		54,000
350-500cc	76,200	66,400	257,200	58,000
500cc+	62,400	60,300		93,000
Total solo:	1,635,500	1,637,400	1,611,700 (plus combos)	1,406,000
Combo units:	119,600	103,600	n/a	n/a
Tricycles and others:	91,800	93,900	91,000	86,000
Grand total:	1,896,900	1,834,900	1,702,700	1,492,000

Source: Ministry of Transport, Highways Statistics (1964-1967).

Table XXV

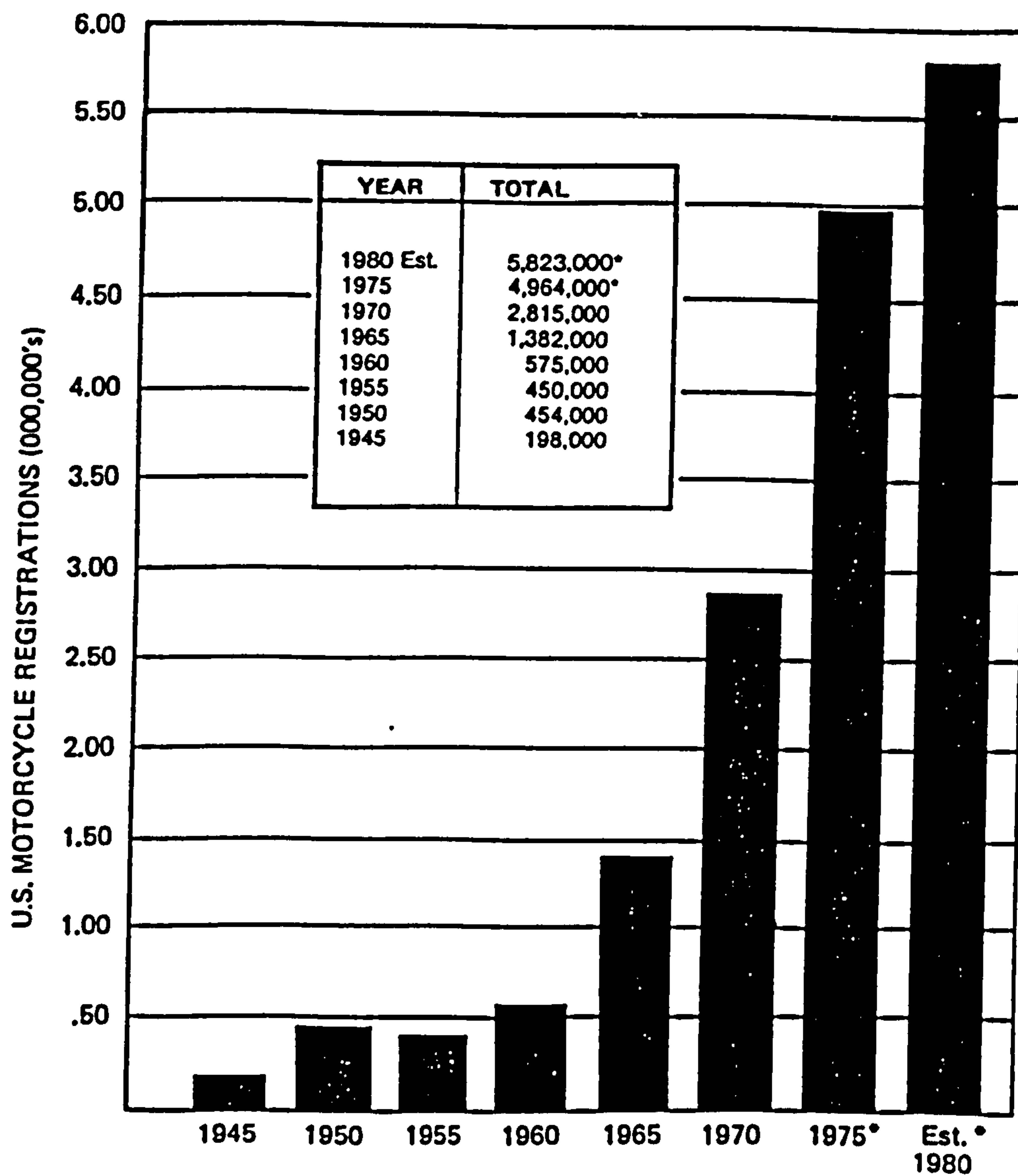
British Imports of two-wheeled motorised vehicles 1955-1966.

	Mopeds	Scooters	Motor Cycles.	Total
1955	38,000	20,000	2,000	60,000
1956	23,000	25,000	1,000	49,000
1957	38,500	69,000	2,300	109,800
1958	17,500	55,000	1,200	73,700
1959	62,300	109,200	1,536	173,036
1960	48,400	85,800	1,961	136,161
1961	42,411	34,923	4,789	82,123
1962	27,225	33,316	7,402	67,943
1963	70,541	21,197	54,993	146,731
1964	55,809	28,536	102,340	186,685
1965	19,830	23,514	37,952	81,296
1966.	7,654	20,879	30,141	58,674

Source: MSS 204/3/1/86. (Modern Records Centre)

Table XXVI

**U.S. TOTAL MOTORCYCLE REGISTRATIONS
1945-1980**



*Total U.S. and several state registration figures for recent years may be inflated due to the implementation of staggered registration renewal systems and off-highway vehicle registration reporting systems, and the reporting of dual registration and titling transactions. No accurate revisions are available at this time.

Source: 1981 Motorcycle Statistical Annual
Irvine, California, USA: Motor Cycle Industry Council, 1981.